



DEPARTMENT OF THE TREASURY

Financial Crimes Enforcement Network

Agency Information Collection Activities; Proposed Renewal; Comment Request; Renewal Without Change of Reporting Obligations on Foreign Bank Relationships with Iranian-Linked Financial Institutions Designated under IEEPA and IRGC-Linked Persons Designated under IEEPA

AGENCY: Financial Crimes Enforcement Network (FinCEN), Treasury.

ACTION: Notice and request for comments.

SUMMARY: As part of its continuing effort to reduce paperwork and respondent burden, FinCEN invites comments on the proposed renewal, without change, of certain existing information collection requirements found in Bank Secrecy Act (BSA) regulations. Specifically, the regulations require that upon receiving a written request from FinCEN, a bank located within the United States that maintains a correspondent account for a specified foreign bank must ask the foreign bank, and report to FinCEN, about transactions or other financial services provided by that foreign bank to Iranian-linked financial institutions designated under the International Emergency Economic Powers Act (IEEPA) and Islamic Revolutionary Guard Corps (IRGC)-linked persons designated under IEEPA. This request for comments is made pursuant to the Paperwork Reduction Act of 1995.

DATES: Written comments are welcome and must be received on or before [INSERT DATE 60 DAYS AFTER DATE OF PUBLICATION IN THE *FEDERAL REGISTER*.]

ADDRESSES: Comments may be submitted by any of the following methods:

- *Federal E-rulemaking Portal:* <https://www.regulations.gov>. Follow the instructions for submitting comments. Refer to Docket Number FINCEN-2025-0002 and the specific Office of Management and Budget (OMB) control number 1506-0066.

• *Mail*: Policy Division, Financial Crimes Enforcement Network, P.O. Box 39, Vienna, VA 22183. Refer to Docket Number FINCEN-2025-0002 and OMB control number 1506-0066.

Please submit comments by one method only. Comments will be reviewed consistent with the Paperwork Reduction Act of 1995 and applicable OMB regulations and guidance. All comments submitted in response to this notice will become a matter of public record. Therefore, you should submit only information that you wish to make publicly available.

FOR FURTHER INFORMATION CONTACT: FinCEN's Regulatory Support Section by submitting an inquiry at www.fincen.gov/contact.

SUPPLEMENTARY INFORMATION:

I. Statutory and Regulatory Provisions

The legislative framework generally referred to as the BSA consists of the Currency and Financial Transactions Reporting Act of 1970, as amended by the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001 (USA PATRIOT Act),¹ and other legislation, including the Anti-Money Laundering of 2020 (AML Act).² The BSA is codified at 12 U.S.C. 1829b, 12 U.S.C. 1951–1960, 31 U.S.C. 5311–5314 and 5316–5336, including notes thereto, with implementing regulations at 31 CFR chapter X.

The BSA authorizes the Secretary of the Treasury (Secretary) to, *inter alia*, require financial institutions to keep records and file reports that are determined to have a high degree of usefulness in criminal, tax, or regulatory investigations, risk assessments or proceedings, or in intelligence or counter-intelligence activities, including analysis, to protect against terrorism, and to implement anti-money laundering/countering the

¹ Pub. L. 107–56, 115 Stat. 272 (Oct. 26, 2001).

² The AML Act was enacted as Division F, sections 6001-6511, of the William M. (Mac) Thornberry National Defense Authorization Act for Fiscal Year 2021, Pub. L. 116-283, 134 Stat. 3388 (Jan. 1, 2021).

financing of terrorism (AML/CFT) programs and compliance procedures.³ The Secretary has delegated to the Director of FinCEN (Director) the authority to administer the BSA.⁴

The Comprehensive Iran Sanctions, Accountability, and Divestment Act of 2010⁵ (CISADA) amended the Iran Sanctions Act of 1996⁶ by expanding economic sanctions against Iran, and required the Secretary to prescribe regulations to establish one or more specific requirements for U.S. financial institutions maintaining correspondent accounts for foreign financial institutions, in connection with certain statutory sanctionable activities.⁷ On October 11, 2011, pursuant to section 104(e) of CISADA, FinCEN issued a final rule⁸ requiring a bank⁹ operating within the United States (U.S. bank) that maintains a correspondent account¹⁰ for a specified foreign bank¹¹ to make certain inquiries and report certain information about transactions or other financial services provided by that foreign bank. U.S. banks are only required to report this information upon receiving a specific written request from FinCEN (CISADA Request).

a) General CISADA Requirements for a U.S. Bank¹²

Upon receiving a CISADA Request, a U.S. bank that maintains a correspondent account for a specified foreign bank is required to make certain inquiries and provide a report to FinCEN (CISADA Report) of: (i) any correspondent account maintained by such foreign bank for an Iranian-linked financial institution designated under IEEPA

³See 31 U.S.C. 5311(1) – (2).

⁴Treasury Order 180-01 (*Reaffirmed* Jan. 14, 2020); *see also* 31 U.S.C. 310(b)(2)(I) (providing that the Director of FinCEN “[a]dminister the requirements of subchapter II of chapter 53 of this title, chapter 2 of title I of Public Law 91–508, and section 21 of the Federal Deposit Insurance Act, to the extent delegated such authority by the Secretary.”).

⁵Pub. L. 111-195, 124 Stat. 1312 (July 1, 2010), codified at 22 U.S.C. 8501-8551. Implementing regulations are at 31 CFR Part 1060.

⁶Pub. L. 104-172, 110 Stat. 1541 (Aug. 5, 1996) (as amended), codified at 50 U.S.C. 1701 note.

⁷See CISADA, sections 104(e) and 104(c)(2)(describing sanctionable activities).

⁸See FinCEN, *Comprehensive Iran Sanctions, Accountability, and Divestment Reporting Requirements*, 76 FR 62607 (Oct. 11, 2011).

⁹“Bank” is defined in the regulation (31 CFR 1060.300(a)(1)) by way of 31 CFR 1010.100(d).

¹⁰“Correspondent account” is defined in the regulation (31 CFR 1060.300(a)(1)) by way of 31 CFR 1010.605(c)(1)(ii).

¹¹“Foreign bank” is defined in the regulation (31 CFR 1060.300(a)(1)) by way of 31 CFR 1010.100(u).

¹²31 CFR 1060.300(a).

(Iranian-linked financial institution);¹³ (ii) any direct or indirect transfer of funds for or on behalf of an Iranian-linked financial institution processed by such foreign bank within the preceding 90 calendar days, other than through a correspondent account; (iii) and any direct or indirect transfer of funds for or on behalf of an IRGC-linked person designated under IEEPA (IRGC-linked person)¹⁴ processed by such foreign bank within the preceding 90 calendar days.

b) Specific CISADA Requirements for a U.S. Bank: Duty to Inquire¹⁵

Upon receiving a CISADA Request, a U.S. bank that maintains a correspondent account for a specified foreign bank has a duty to inquire and request that a specified foreign bank certify whether the foreign bank: (i) maintains a correspondent account for an Iranian-linked financial institution; (ii) has processed one or more transfers of funds within the preceding 90 calendar days, for or on behalf of, directly or indirectly, an Iranian-linked financial institution, other than through a correspondent account; (iii) has processed one or more transfer of funds within the preceding 90 calendar days, for or on behalf of, directly or indirectly, an IRGC-linked person. Upon such inquiry, a U.S. bank shall request that the foreign bank agree to notify the U.S. bank if the foreign bank subsequently establishes a new correspondent account for an Iranian-linked financial institution at any time within 365 calendar days from the date of the foreign bank's initial response to the U.S. bank.

¹³ The International Emergency Economic Powers Act of 1977 (IEEPA), Pub L. 95-223, 91 Stat. 1626 (Dec. 28, 1977), codified at 50 U.S.C. 1701 *et seq.* For purposes of 31 CFR 1060.300, "Iranian-linked financial institution designated under IEEPA" means a financial institution designated by the U.S. Government pursuant to IEEPA (or listed in an annex to an Executive order issued pursuant to IEEPA) in connection with Iran's proliferation of weapons of mass destruction or delivery systems for weapons of mass destruction, or in connection with Iran's support for international terrorism.

¹⁴ For purposes of 31 CFR 1060.300, an "IRGC linked person designated under IEEPA" means the IRGC or any of its agents or affiliates designated by the U.S. Government pursuant to IEEPA (or listed in an annex to an Executive order issued pursuant to IEEPA).

¹⁵ 31 CFR 1060.300(b).

There is an optional CISADA certification form U.S. banks may use to obtain the necessary information from specified foreign banks.¹⁶

c) Specific CISADA Requirements for a U.S. Bank: CISADA Reporting Requirements¹⁷

Upon receiving a CISADA Request, a U.S. bank is required to report to FinCEN certain information for any specified foreign bank for which the U.S. bank maintains correspondent accounts:

- I. *Certain U.S. bank CISADA reporting requirements when a foreign bank maintains a correspondent account for, or has processed one or more transfers of funds for, an Iranian-linked financial institution.*
 - a. The name of any foreign bank that certifies to the U.S. bank that the foreign bank maintains a correspondent account for an Iranian-linked financial institution, and the following related information: (i) the name of the Iranian-linked financial institution; (ii) the full name(s) on the correspondent account and the correspondent account number(s); (iii) any information regarding whether the correspondent account has been blocked or restricted; (iv) other applicable identifying information for the correspondent account; and (v) the approximate value in U.S. dollars of transactions processed through the correspondent account within the preceding 90 calendar days;¹⁸
 - b. The name of any foreign bank that certifies to the U.S. bank that the foreign bank has processed one or more transfers of funds within the preceding 90 calendar days for or on behalf of, directly or indirectly, an Iranian-linked financial institution, other than through a correspondent account, and the

¹⁶ See Optional CISADA Certification Form, available at https://www.fincen.gov/sites/default/files/federal_register_notice/CISADA_Certification.pdf.

¹⁷ 31 CFR 1060.300(c).

¹⁸ 31 CFR 1060.300(c)(1)(i).

following related information: (i) the name of the Iranian-linked financial institution; (ii) the identity of the system or means by which such transfer(s) of funds was processed; (iii) the full name on the account(s) and the account number(s), if applicable; (iv) other applicable identifying information for such transfer(s) of funds; and (v) the approximate value in U.S. dollars of such transfer(s) of funds processed within the preceding 90 calendar days;¹⁹

2. *Certain U.S. bank CISADA reporting requirements when a specified foreign bank has processed one or more transfers of funds for an IRGC-linked person.*

- a. The name of any foreign bank that certifies to the U.S. bank that the foreign bank has processed one or more transfers of funds within the preceding 90 calendar days for or on behalf of, directly or indirectly, an IRGC-linked person, and the following related information: (i) the name of the IRGC-linked person; (ii) the identity of the system or means by which such transfer(s) of funds was processed; (iii) the full name on the account(s) and the account number(s), if applicable; (iv) other applicable identifying information for such transfer(s) of funds; and (v) the approximate value in U.S. dollars of such transfer(s) of funds processed within the preceding 90 calendar days;²⁰

3. *Certain U.S. bank CISADA reporting requirements when a specified foreign bank does not maintain a correspondent account for and has not processed one more transfers of funds for, an Iranian-linked financial institution or an IRGC-linked person.*

- a. The name of any specified foreign bank that certifies to the U.S. bank that:
- (i) the foreign bank does not maintain a correspondent account for an Iranian-

¹⁹ 31 CFR 1060.300(c)(1)(ii).

²⁰ 31 CFR 1060.300(c)(1)(iii).

linked financial institution; (ii) to the knowledge of the foreign bank, the foreign bank has not processed one or more transfers of funds within the preceding 90 calendar days for or on behalf of, directly or indirectly, an Iranian-linked financial institution, other than through a correspondent account; and/or (ii) to the knowledge of the foreign bank, the foreign bank has not processed one or more transfers of funds within the preceding 90 calendar days for or on behalf of, directly or indirectly, an IRGC-linked person;²¹

4. *Certain U.S. bank CISADA reporting requirements when a U.S. bank cannot determine whether a specified foreign bank maintains a correspondent account for, or has processed one or more transfers of funds for, an Iranian-linked financial institution or an IRGC-linked person.*
 - a. The name of any specified foreign bank for which the U.S. bank is unable to determine if the foreign bank: (i) does not maintain a correspondent account for an Iranian-linked financial institution; (ii) has not processed one or more transfers of funds within the preceding 90 calendar days for or on behalf of, directly or indirectly, an Iranian-linked financial institution, other than through a correspondent account; and/or (iii) has not processed one or more transfers of funds within the preceding 90 calendar days for or on behalf of, directly or indirectly an IRGC-linked person.²²
 - b. The U.S. bank must also include the reason(s) the U.S. bank cannot make these determinations, such as the failure of the foreign bank to respond, or the U.S. bank has information inconsistent with the foreign bank's certification;²³

²¹ 31 CFR 1060.300(c)(1)(iv).

²² 31 CFR 1060.300(c)(1)(v).

²³ *Id.*

5. *Certain U.S. bank CISADA reporting requirements when a specified foreign bank establishes a new correspondent account for an Iranian-linked financial institution.*
 - a. The name of any specified foreign bank that notifies the U.S. bank that the foreign bank has established a new correspondent account for an Iranian-linked financial institution at any time within 365 calendar days from the date of the foreign bank's initial response to the U.S. bank's request for the foreign bank's certification;²⁴ and the following related information:
 - b. (i) the name of the Iranian-linked financial institution; (ii) the full name(s) on the correspondent account and the correspondent account number(s); (iii) applicable information regarding whether the correspondent account has been blocked or restricted; and (iv) other applicable identifying information for the correspondent account;²⁵
6. *Certain U.S. bank CISADA reporting requirements when a U.S. bank does not maintain a correspondent account for a specified foreign bank in a CISADA Request.*
 - a. If applicable, confirmation that the U.S. bank does not maintain a correspondent account for the foreign bank(s) specified in the CISADA Request, but only in instances in which FinCEN specifically requests that the U.S. bank report such information;²⁶ and
7. *U.S. bank CISADA reporting requirements when foreign bank certification is received after the 45-calendar day reporting window in the CISADA Request.*
 - a. If applicable, the name of any foreign bank that provides a certification to the U.S. bank more than 45 calendar days after the date of the CISADA Request,

²⁴ 31 CFR 1060.300(c)(1)(vi).

²⁵ *Id.*

²⁶ 31 CFR 1060.300(c)(1)(vii).

along with all applicable related information associated with that certification.²⁷

d) Specific CISADA Reporting Requirements for a U.S. Bank: CISADA Reporting Deadlines²⁸

A U.S. bank must report the requested CISADA information within 45 calendar days of receipt of a CISADA Request.²⁹ A U.S. bank must also report within 10 calendar days of receipt of any subsequent notification received from a foreign bank regarding the establishment of a new correspondent account for an Iranian-linked financial institution.³⁰ For any foreign bank certifications received after the 45-calendar day deadline, a U.S. bank is required to report within 10 calendar days of receipt of the foreign bank certification.³¹

e) U.S. Bank Record Retention Requirements³²

A U.S. bank must maintain a copy of any CISADA Report and the original or any business record equivalent of any supporting documentation for a CISADA Report, including a foreign bank certification or other responses to an inquiry for a period five years.³³

f) A U.S. Bank Remains Subject to Applicable BSA Requirements³⁴

Nothing under 31 CFR 1060.300 shall be construed to require a U.S. bank to take any action, or to decline to take any action, other than the requirements identified in 31 CFR 1060.300, with respect to an account established for, or a transaction engaged in with, a foreign bank. A U.S. bank subject to a CISADA Request remains subject to any

²⁷ 31 CFR 1060.300(c)(1)(viii).

²⁸ 31 CFR 1060.300(c)(2).

²⁹ 31 CFR 1060.300(c)(2)(i).

³⁰ 31 CFR 1060.300(c)(2)(ii).

³¹ 31 CFR 1060.300(c)(2)(iii).

³² 31 CFR 1060.300(d).

³³ *Id.*

³⁴ 31 CFR 1060.300(e).

applicable program, recordkeeping, and reporting requirements under the BSA and FinCEN's implementing regulations in 31 CFR chapter X.³⁵

II. Paperwork Reduction Act of 1995 (PRA)³⁶

Title: Reporting obligations on foreign bank relationships with Iranian-linked financial institutions designated under IEEPA and IRGC-linked persons designated under IEEPA (31 CFR 1060.300).

OMB Control Number: 1506-0066.

Form Number: Optional form – certification for purposes of section 104(e) of CISADA and 31 CFR 1060.300.

Abstract: FinCEN is issuing this notice to renew the OMB control number for the CISADA regulations that require, upon receiving a CISADA Request, a U.S. bank that maintains a correspondent account for a specified foreign bank to inquire with the foreign bank and report to FinCEN with respect to transactions or other financial services provided by that foreign bank to Iranian-linked financial institutions and IRGC-linked persons.

Affected Public: Businesses or other for-profit institutions, and non-profit institutions.

Type of Review: Renewal without change of a currently approved information collection.

Frequency: As required.

Estimated Number of Potential Respondents: 9,384 banks.³⁷

³⁵ *Id.*

³⁶ Pub. L. 104-13, 109 Stat. 163 (May 22, 1995), codified at 44 U.S.C. 3506(c)(2)(A).

³⁷ Table 1 below sets forth a breakdown of the number of U.S. banks, as defined in 31 CFR 1010.100 and as grouped in 31 CFR 1020.210, that are required to comply with 31 CFR 1060.300. However, note that not all U.S. banks maintain correspondent accounts for foreign banks. As a result, in practice, the regulations are not likely to require responses from U.S. banks that do not maintain correspondent accounts for foreign banks. For that reason, FinCEN also estimates the number of U.S. banks that maintain correspondent accounts for foreign banks in table 2 below.

The types of banks covered by this notice are “banks” as defined in 31 CFR 1010.100(d), which includes each agent, agency, branch or office within the United States of any person doing business in one or more of the capacities listed below:

(1) a commercial bank or trust company organized under the laws of any State or of the United States;

(2) a private bank;

(3) a savings and loan association or a building and loan association organized under the laws of any State or of the United States;

(4) an insured institution as defined in section 401 of the National Housing Act;

(5) a savings bank, industrial bank or other thrift institution;

(6) A credit union organized under the law of any State or of the United States;

(7) any other organization (except a money services business) chartered under the banking laws of any state and subject to the supervision of the bank supervisory authorities of a State;

(8) a bank organized under foreign law;

(9) any national banking association or corporation acting under the provisions of section 25(a) of the Federal Reserve Act of Dec. 23, 1913, as added by the Edge Act of Dec. 24, 1919, ch. 18, 41 Stat. 378, as amended (12 U.S.C. 611-32).

FinCEN notes that these banks, as defined in 31 CFR 1010.100(d), are subject to the *Anti-money Laundering (AML) Program Requirements for Banks* at 31 CFR 1020.210,³⁸ which includes two broad subcategories of banks: banks regulated by a Federal functional regulator³⁹ and banks lacking a Federal functional regulator.⁴⁰ For

³⁸ 31 CFR 1020.210 is titled “Anti-Money Laundering Program Requirements for Banks.” See 31 CFR 1010.100(d) (defining “banks”).

³⁹ 31 CFR 1020.210(a). See also 31 CFR 1010.100(r) for list of Federal functional regulators (as defined in section 509 of the Gramm-Leach-Bliley Act (12 U.S.C. 6809)).

⁴⁰ 31 CFR 1020.210(b).

purposes of consistency and comparability across FinCEN rulemaking activities,⁴¹ and to enhance the parsimony and readability of data, the population of potential respondents is therefore presented using the subcategories as delineated in 31 CFR 1020.210 in table 1 below. Table 1 presents an estimate of the total population of entities that could each individually incur the recordkeeping and reporting burdens associated with receiving a CISADA Request. However, because making such requests is discretionary and occurs at low frequency, FinCEN anticipates that the estimated number of potential respondents will continue to vastly exceed the estimated number of expected respondents, as it has historically based on FinCEN’s experience with CISADA Requests.

Table 1. Distribution of U.S. banks required to comply with this notice

Type of U.S. bank	Number of U.S. banks
Banks with a Federal functional regulator (FFR)	8,989 ^a
Banks lacking an FFR	395 ^b
Total	9,384

^a This includes 4,490 Federal Deposit Insurance Corporation (FDIC)-insured depository institutions (i.e. federally regulated banks) according to the FDIC’s quarterly data summary for Q4 2024, and 4,499 National Credit Union Administration (NCUA)-chartered credit unions (i.e. federally regulated credit unions) according to NCUA’s quarterly credit union data summary for Q4 2024.

^b The Board of Governors of the Federal Reserve System Master Account and Services Database contains data on financial institutions that utilize Federal Reserve Bank financial services, including those with no Federal functional regulator. FinCEN used this data to identify 395 banks and credit unions utilizing Reserve Bank financial services with no federal regulator.

Estimated Number of Expected Respondents: 24 U.S. banks, annually.

FinCEN intends to continue to send CISADA Requests directly to U.S. banks that, based on all available information, it has reason to believe may maintain correspondent accounts for a specified foreign bank. Therefore, while the regulation applies to all U.S. banks, a CISADA request should, in practice, only impose reporting

⁴¹ See, e.g., FinCEN, *Anti-Money Laundering and Countering the Financing of Terrorism Programs Notice of Proposed Rulemaking*, 89 FR 55428 (Jul. 3, 2024); FinCEN, *Agency Information Collection Activities; Proposed Renewal; Comment Request: Renewal Without Change of Transactions of Exempt Persons Regulations, and FinCEN Form 110, Designation of Exempt Person Report*, 89 FR 65012 (Aug. 8, 2024); and FinCEN, *Agency Information Collection Activities; Proposed Renewal; Comment Request: Renewal Without Change of Purchases of Bank Checks and Drafts, Cashier’s Checks, Money Orders, and Traveler’s Checks*, 89 FR 76187 (Sept. 17, 2024).

and recordkeeping costs on select U.S. banks with indicia of past, ongoing, or foreseeable future relationships with a specified foreign bank. For purposes of assessing potential PRA burden, FinCEN, in the agency’s view, is making a conservative estimate with respect to the number of U.S. banks that may maintain a correspondent account for a specified foreign bank in a CISADA Request by assuming that any U.S. bank that maintains a correspondent account for any foreign bank could be an affected bank under the rule. Table 2 presents an estimate of this subpopulation of U.S. banks below based on available data from the third quarter of the most recently ended calendar year (2024).

Table 2. Distribution of potentially affected financial institutions that maintain correspondent accounts for foreign banks

Type of financial institution	Number of financial institutions
Banks with an FFR	60 ^a
Banks lacking an FFR	12 ^b
Total	72

^a Data are from the Federal Financial Institution Examination Council Central Data Repository for Reports of Condition and Income (Call Reports) and Uniform Bank Performance Reports (UBPRs), available for most FDIC-insured institutions. Using this source of data, FinCEN determines that as of third quarter (Q3) in 2024, approximately 60 banking organizations (national and state banks, trusts, thrifts and savings and loans, branches and agencies of foreign banking organizations, representative offices, Edge Act corporations, and agreement corporations) will be affected by this rule on any given year. Specifically, we determine that there are approximately 60 entities (U.S. banks; national and state chartered, trusts, savings and loans, thrifts; branches and agencies of foreign banks; Edge Act corporations; and agreement corporations) that report values for deposit liabilities of banks in foreign countries. Deposit liabilities in a foreign country is an indication that a bank maintains correspondent accounts with a foreign financial institution. Credit unions, due to chartering restrictions, do not typically maintain foreign correspondent accounts.

^b The Board of Governors of the Federal Reserve System Master Account and Services Database contains data on financial institutions that utilize Reserve Bank financial services, including those with no federal regulator. FinCEN used this data to identify an additional 12 international banking entities with no federal regulator and who do not file Call Reports, but who are also likely to maintain correspondent accounts with a foreign financial institution.

Historically, since the CISADA regulations were implemented in 2011, FinCEN has used this authority in limited circumstances for a variety of reasons that has, in turn, limited the number of U.S. banks that have received a CISADA Request. Moreover, prior to issuing a CISADA Request, FinCEN evaluates and relies on, to the extent possible, information available to the Department of the Treasury (Treasury), or publicly available, to further identify and narrow the list of U.S. banks likely to maintain a

correspondent account with a specified foreign bank. Both low historical volumes of CISADA Requests and other practices that limit the number of U.S. banks receiving a CISADA Request support FinCEN conservative estimates of a lower number of affected U.S. banks. For those reasons, FinCEN finds it unlikely that many of the 72 banks identified in table 2 would receive a CISADA Request. Thus, FinCEN assumes that each of the maximum number of U.S. banks estimated to receive a CISADA Request (expected respondents) would not receive more than one CISADA Request every three years, which is a time frame based on the PRA requirement to renew this OMB control number (1506-0066) every three years. This approach equates to an average maximum of 24 expected respondents per year.⁴²

Estimated Number of Responses: 72 CISADA Reports.

As described above, a CISADA Request issued by FinCEN may pertain to one or more specified foreign bank(s), thereby engendering the need for a U.S. bank to provide one or more CISADA Report(s), responsively. Additionally, CISADA Reports associated with the same CISADA Request may vary in length and detail. For example, in certain instances, FinCEN may request that if a U.S. bank receives a CISADA Request, and the U.S. bank does not maintain a correspondent account for a specified foreign bank, the U.S. bank may still be required to report this information to FinCEN.⁴³ Such a CISADA Report may be considerably shorter than if the U.S. bank did maintain a correspondent account for a specified foreign bank. Similarly, if a U.S. bank does maintain a correspondent account for a specified foreign bank, but that specified foreign bank is able to certify that the foreign bank does not provide any financial services to Iranian-linked financial institutions and IRGC-linked persons, the associated CISADA Report would be shorter than if such financial services had been provided.

⁴² If 72 U.S. banks each receive one request over the course of a three-year period, that equates to 24 U.S. banks receiving a CISADA Request each year (72 banks/3 years).

⁴³ See 31 CFR 1060.300(c)(1)(vii).

Because FinCEN has used its authority to make CISADA Requests in limited circumstances and given its data from previous CISADA Requests, FinCEN estimates that it will make CISADA Requests to U.S. banks that include no more than approximately three foreign banks per year, on average, in each CISADA Request. Thus, if up to 24 U.S. banks, which may maintain correspondent accounts for specified foreign banks are required to respond to CISADA Requests that identify on average three specified foreign banks annually, FinCEN would expect to receive up to 72 CISADA Reports per year, on average.

Estimated Reporting and Recordkeeping Burden:

To estimate the annual PRA burden and cost of complying with 31 CFR 1060.300, the CISADA Reports are divided into two categories: (i) CISADA Reports submitted by U.S. banks that maintain correspondent accounts for specified foreign banks; and (ii) CISADA Reports submitted by U.S. banks that do not maintain correspondent accounts for specified foreign banks.

- (i) *CISADA Reports submitted by U.S. banks that maintain correspondent accounts for specified foreign banks*

Each time a U.S. bank receives a CISADA Request for which the U.S. bank maintains a correspondent account for a specified foreign bank, FinCEN has historically estimated that the U.S. bank⁴⁴ will incur the following burden per request:

- 31 CFR 1060.300(b) — one hour per U.S. bank to inquire of a foreign bank, because the U.S. bank can send the optional certification form to the foreign bank;

⁴⁴ FinCEN's estimates have, to date, been restricted to the anticipated burden to a given U.S. bank of (1) relaying FinCEN's request for data to the foreign banks for which it maintains correspondent accounts and (2) transmitting the information reported by the foreign bank back to FinCEN. As such, the primary reporting and recordkeeping burdens, which accrue to the foreign bank in preparing and providing reports and certifications to its U.S. bank, are not included in these burden estimates. FinCEN is asking the public for further information, data, and comments with respect this approach in the additional requests for comment below.

- 31 CFR 1060.300(c) — one hour per U.S. bank to report to FinCEN the foreign bank’s response to the U.S. bank’s inquiry, because the U.S. bank can submit the response from the foreign bank to FinCEN electronically; and
- 31 CFR 1060.300(d) — one hour per U.S. bank to maintain a record of its report to FinCEN and any supporting documentation for the report, including a foreign bank certification or other response to the U.S. bank’s inquiry.

These estimates result in a total estimated average burden of three hours for each CISADA Report submitted by a U.S. bank that maintains a correspondent account for a specific foreign bank.⁴⁵

(ii) CISADA Reports submitted by U.S. banks that do not maintain correspondent accounts for specified foreign banks

FinCEN has historically estimated that the average reporting burden for a U.S. bank that does not maintain a correspondent account for a specified foreign bank will be approximately 30 minutes per report responsive to a CISADA Request. This estimate is based on the ease of electronically filing CISADA Reports with FinCEN.

To determine the total annual PRA burden associated with 24 CISADA Requests,⁴⁶ FinCEN estimated the distribution of CISADA Reports by respective categories that would be submitted by U.S. banks responsive to such requests. This required imposing assumptions about the ratio of reports that are anticipated to come from U.S. banks that maintain correspondent accounts for specified foreign banks (category (i) above), versus CISADA Reports submitted by U.S. banks that do not maintain correspondent accounts for specified foreign banks (category (ii) above).⁴⁷ Informed by data from historical requests, FinCEN conservatively assumes that one

⁴⁵ Three burden hours per U.S. bank with respect to each CISADA Report is the summation of one hour each to comply with 31 CFR 1060.300(b), 31 CFR 1060.300(c), and 31 CFR 1060.300(d).

⁴⁶ See footnote 42.

⁴⁷ For purposes of estimation, FinCEN assumes that in all cases when a U.S. bank does not maintain of correspondent account for a specified foreign bank included in a received CISADA Request, the U.S. bank would be required to report this information to FinCEN, though this need not be true in all cases.

CISADA Request would inquire about a U.S. bank’s maintenance of correspondent accounts for three specified foreign banks. FinCEN further assumes that a U.S. bank would maintain two of the three foreign banks in the CISADA Request as correspondent accounts resulting in two lengthier CISADA Reports, as described in the category (i) burden discussion above. FinCEN also assumes that a U.S. bank would not maintain a correspondent account for one of the three foreign banks in the CISADA Request but would nevertheless incur the reporting burden as described in category (ii) above. Consequently, of the 72 CISADA Reports estimated to be submitted annually, approximately 48 CISADA Reports would pertain to a U.S. bank that maintains a correspondent account for a specified foreign bank and 24 CISADA Reports would come from a U.S. bank that does not maintain a correspondent account for a specified foreign bank.⁴⁸

FinCEN’s estimate of the annual PRA burden, therefore, is 156 hours, as detailed in table 3 below:

Table 3 – Estimated hourly burden associated with the reporting and recordkeeping activities of 31 CFR 1060.300

CISADA Report type	Annual number of responses	Burden hours per response	Annual burden hours
CISADA Reports submitted by a U.S. bank that maintains a correspondent account for a specified foreign bank	48	3 hours	144
CISADA Reports submitted by a U.S. bank that does not maintain a correspondent account for a specified foreign bank	24	30 minutes	12
Total	72		156

To estimate the costs associated with the annual PRA burden hours, FinCEN is utilizing a fully loaded composite hourly wage rate of \$120.07, or, rounded to the nearest

⁴⁸ Two thirds of 72 CISADA Reports equates to 48 CISADA Reports submitted by U.S. banks that maintain a correspondent account for a specified foreign bank. One third of 72 CISADA Reports equates to 24 CISADA Reports submitted by U.S. banks that do not maintain a correspondent account for a specified foreign bank.

dollar, \$120.00.⁴⁹ The total estimated cost of the annual PRA burden is \$18,720, as reflected in table 4 below.

Table 4. Total cost of annual PRA burden

CISADA Report type	Burden hours	Wage rate	Total cost
CISADA Reports submitted by a U.S. bank that maintains a correspondent accounts for a specified foreign bank	144 ^a	\$120.00 ^b	\$17,280
CISADA Reports submitted by a U.S. bank that does not maintain a correspondent account for a specified foreign bank	12 ^c	\$120.00	\$1,440
Total	156		\$18,720

^a See table 3 above.

^b See footnote 48.

^c See table 3 above.

Estimated Total Annual Recordkeeping and Reporting Burden: The estimated total annual PRA burden is 156 hours, as set out in table 3.

Estimated Total Annual Recordkeeping and Reporting Cost: The estimated total annual PRA cost is \$18,720, as set out in table 4.

Under the PRA, FinCEN as a Federal agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless the collection of information displays a valid OMB control number. Records required to be retained under the BSA must be retained for five years.

⁴⁹ The wage rate applied here is a general composite hourly wage (\$85.55), scaled by a private-sector benefits factor of 1.42 ($\$120.07 = \85.55×1.42), that incorporates the mean wage data (available for download at <https://www.bls.gov/oes/tables.htm>, “May 2023 - National industry-specific and by ownership”) associated with the six occupational codes (11-1010: Chief Executives; 11-3021: Computer and Information Systems Managers; 11-3031: Financial Managers; 13-1041: Compliance Officers; 23-1010: Lawyers and Judicial Law Clerks; 43-3099: Financial Clerks, All Other) for each of the nine groupings of NAICS industry codes that FinCEN determined are most directly comparable to its eleven categories of covered financial institutions as delineated in 31 CFR chapter X parts 1020 to 1030. The benefit factor is 1 plus the benefit/wages ratio, where, as of June 2023, Total Benefits = 29.4 and Wages and salaries = 70.6 ($29.4/70.6 = 0.42$) based on the private industry workers series data downloaded from https://www.bls.gov/news.release/archives/ecec_09122023.pdf, accessed December 22, 2024. Given that many occupations provide benefits beyond cash wages (e.g., insurance, paid leave, etc.), the private sector benefit is applied to reflect the total cost to the employer.

Requests for Comment: Comments submitted in response to this notice will be summarized and/or included in the request for OMB approval. All comments will become a matter of public record.

General Request for Comments — Comments are invited on: (1) whether the collection of information is necessary for the proper performance of the functions of the agency, including whether the information shall have practical utility; (2) the accuracy of FinCEN estimates of the burden of the collection of information; (3) ways to enhance the quality, utility, and clarity of the information to be collected; (4) ways to minimize the burden of the collection of information on respondents, including through the use of automated collection techniques or other forms of information technology; and (5) estimates of capital or start-up costs and costs of operation, maintenance, and purchase of services to provide information.

Additional Requests for Comment — In connection with a variety of initiatives FinCEN is undertaking to implement the AML Act, FinCEN intends to conduct, in the future, additional assessments of the PRA burden associated with BSA requirements. To assist with those activities, FinCEN is also requesting comments in response to the following additional questions:

- (1) To what extent do estimates that exclude the reporting and recordkeeping burdens on foreign banks potentially underestimate the full PRA burden associated with this control number?
- (2) Should FinCEN revise its PRA burden estimates to account for the burden on affected foreign banks? Why or why not? If so, please suggest sources or provide data that would facilitate this update.
- (3) Please provide comment, preferably including, or with reference to, the data relied upon to make such comments, on FinCEN's estimates of banks that maintain

correspondent accounts for foreign banks. In particular, FinCEN invites public feedback on:

(a) The general accuracy of its population estimates.

(b) Further information about the distribution of potentially affected U.S. Banks, such as meaningful differences in size or ability to incur the reporting and recordkeeping requirements associated with FinCEN regulation.

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