



DEPARTMENT OF THE TREASURY

Financial Crimes Enforcement Network

Agency Information Collection Activities; Proposed Renewal; Comment Request;

Renewal Without Change of Reports of Transactions with Foreign Financial

Agencies

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 authorize the Secretary of the Treasury, as appropriate, to promulgate regulations requiring specified financial institutions to file reports with the Financial Crimes Enforcement Network (FinCEN) of certain transactions with designated foreign financial agencies. Although no changes are proposed to the information collection itself, this request for comments covers proposed changes in the methods that FinCEN uses to estimate reporting and recordkeeping burdens. 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 THE DATE OF PUBLICATION IN THE *FEDERAL REGISTER*.]

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

- *Federal E-rulemaking Portal:* <http://www.regulations.gov>. Follow the instructions for submitting comments. Refer to Docket Number FINCEN-2025-0006 and Office of Management and Budget (OMB) control number 1506-0055.

• *Mail*: Policy Division, Financial Crimes Enforcement Network, P.O. Box 39, Vienna, VA 22183. Refer to Docket Number FINCEN-2025-0006 and OMB control number 1506-0055.

Please submit comments by one method only. Comments will generally become a matter of public record. For this reason, please do not include in your comments information of a confidential nature, such as sensitive personal information or proprietary information. A comment about the burden posed to a financial institution by a specific regulation requiring the reporting of certain transactions with designated foreign financial agencies, issued under the general regulation that is the subject of this notice, but that does not describe in detail the specific regulation or the reporting requirement imposed by that specific regulation, will not be considered to contain confidential information.

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 Foreign Transactions Reporting Act of 1970,¹ as amended by the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001 (USA PATRIOT Act),² and other legislation, including the Anti-Money Laundering Act of 2020 (AML Act).³ The BSA is codified at 12 U.S.C. 1829b, and 1951–1960; 31 U.S.C. 5311–5314, and 5316–5336, including notes thereto; with implementing regulations at 31 CFR chapter X.

¹ Title II of Pub. L. 91-508, 84 Stat. 1118 (Oct. 26, 1970).

² Pub. L. 107-56, 115 Stat. 272 (Oct. 26, 2001).

³ 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).

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 matters, 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 financing of terrorism (AML/CFT) programs and compliance procedures.⁴ The Secretary has delegated to the Director of FinCEN (Director) the authority to administer the BSA.⁵

The Secretary is authorized to require any “resident or citizen of the United States or a person in, and doing business in, the United States, to keep records, file reports, or keep records and file reports, when the resident, citizen, or person makes a transaction or maintains a relation for any person with a foreign financial agency.”⁶ The term “foreign financial agency”⁷ (FFA) applies to an action outside the United States of a “financial agency,” which the statute defines as “a person acting for a person . . . as a financial institution, bailee, depository trustee, or agent, or acting in a similar way related to money, credit, securities, gold, a transaction in money, credit, securities or gold, or a service provided with respect to money, securities, futures, precious metals, stones and jewels, or value that substitutes for currency.”⁸ The Secretary is also authorized to prescribe exemptions to the reporting requirement and to prescribe other matters the Secretary considers necessary to carry out 31 U.S.C. 5314.⁹ The regulations

⁴ See 31 U.S.C. 5311(1)-(2).

⁵ Treasury Order 180-01 (*Reaffirmed* Jan. 14, 2020); see also 31 U.S.C. 310(b)(2)(I) (providing that the Director of FinCEN shall “[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.”).

⁶ 31 U.S.C. 5314(a).

⁷ 31 U.S.C. 5312(b)(2).

⁸ See 31 U.S.C. 5312(a)(1) as amended by 6102 (d)(1)(A) of the AML Act. The definition of financial agency exempts a person acting for a country, a monetary or financial authority acting as a monetary or financial authority, or an international financial institution of which the United States Government is a member.

⁹ See 31 U.S.C. 5314(b)(1) and (5).

implementing these authorities to require reports of transactions with FFAs are found at 31 CFR 1010.360.

Briefly, 31 CFR 1010.360(a) generally authorizes the Secretary, when the Secretary deems appropriate, to promulgate specific regulations (FFA Regulations) under which specified financial institutions¹⁰ must file reports of certain transactions with designated FFAs.¹¹ An FFA Regulation must designate one or more of the following categories of information to be reported by the specified financial institution(s):

- checks or drafts, including traveler's checks, received by a respondent financial institution for collection or credit to the account of a designated FFA, sent by the respondent financial institution to a foreign country for collection or payment, drawn by the respondent financial institution on a designated FFA, drawn by a designated FFA on the respondent financial institution, including the following information: name of maker or drawer; name of drawee or drawee financial institution; name of payee; date and amount of instrument; and names of all endorsers;¹²
- transmittal orders received by a respondent financial institution from a designated FFA or sent by respondent financial institution to a designated FFA, including all information maintained by that institution pursuant to 31 CFR 1010.410 and 1020.410;¹³

¹⁰ 31 CFR 1010.100(t).

¹¹ If such a regulation is issued as a final rule without notice and opportunity for public comment, then a finding of good cause for dispensing with notice and comment in accordance with 5 U.S.C. 553(b) must be included in the regulation. If the regulation is not published in the Federal Register, then any financial institution subject to the regulation must be named and personally served or otherwise given actual notice in accordance with 5 U.S.C. 553(b). If a financial institution is given notice of a reporting requirement by means other than publication in the Federal Register, the Secretary may prohibit disclosure of the existence or provisions of that reporting requirement to the designated FFA(s) and to any other party. *See* 31 CFR 1010.360(a).

¹² *See* 31 CFR 1010.360(b)(1)(i) through (v).

¹³ *See* 31 CFR 1010.360(b)(2).

- loans made by respondent financial institution to or through a designated FFA, including the following information: name of borrower; name of person acting for borrower; date and amount of loan; terms of repayment; name of guarantor; rate of interest; method of disbursing proceeds; and collateral for loan;¹⁴
- commercial paper received or shipped by the respondent financial institution, including the following information: name of maker; date and amount of paper; due date; certificate number; and amount of transaction;¹⁵
- stocks received or shipped by respondent financial institution, including the following information: name of corporation; type of stock; certificate number; number of shares; date of certificate; name of registered holder; and amount of transaction;¹⁶
- bonds received or shipped by respondent financial institution, including the following information: name of issuer; bond number; type of bond series; date issued; due date; rate of interest; amount of transaction; and name of registered holder;¹⁷
- certificates of deposit received or shipped by respondent financial institution, including the following information: name and address of issuer; date issued; dollar amount; name of registered holder; due date; rate of interest; certificate number; and name and address of issuing agent.¹⁸

In issuing FFA Regulations, the Secretary must prescribe: a reasonable classification of financial institutions subject to or exempt from a reporting requirement; a foreign country to which a reporting requirement applies if the Secretary decides that applying the requirement to all foreign countries is unnecessary or undesirable; the

¹⁴ See 31 CFR 1010.360(b)(3)(i) through (viii).

¹⁵ See 31 CFR 1010.360(b)(4)(i) through (v).

¹⁶ See 31 CFR 1010.360(b)(5)(i) through (vii).

¹⁷ See 31 CFR 1010.360(b)(6)(i) through (viii).

¹⁸ See 31 CFR 1010.360(b)(7)(i) through (viii).

magnitude of transactions subject to a reporting requirement; and the kind of transaction subject to or exempt from a reporting requirement.¹⁹

FFA Regulations may prescribe the manner in which the information is to be reported. However, the Secretary may authorize a designated financial institution to report in a different manner if the institution demonstrates to the Secretary that the form of the required report is unnecessarily burdensome on the institution as prescribed; that a report in a different form will provide all the information the Secretary deems necessary; and that submission of the information in a different manner will not unduly hinder the effective administration of 31 CFR chapter X.²⁰

Pursuant to 31 CFR 1010.360(e), the Secretary: (i) in issuing FFA Regulations must consider the need to avoid impeding or controlling the export or import of monetary instruments and the need to avoid burdening unreasonably a person making a transaction with a designated FFA; (ii) must not issue an FFA Regulation for the purpose of obtaining individually identifiable account information concerning a customer, as defined by the Right to Financial Privacy Act,²¹ where that customer is already the subject of an ongoing investigation for possible violation of the BSA, or is known by the Secretary to be the subject of an investigation for possible violation of any other Federal law; and (iii) may issue an FFA Regulation requiring a financial institution to report transactions completed prior to the date it received notice of the reporting requirement. However, with respect to completed transactions, a financial institution may be required to provide information only from records required to be maintained pursuant to the requirements of 31 CFR chapter X, or any other provision of state or Federal law, or otherwise maintained in the regular course of business.²² All records that are required to be retained

¹⁹ See 31 CFR 1010.360(c)(1) through (4).

²⁰ See 31 CFR 1010.360(d).

²¹ 12 U.S.C. 3401 *et seq.*

²² See 31 CFR 1010.360(e)(1) through (3).

by chapter X shall be retained for a period of five years, including those records required to be created under 31 CFR 1010.360.²³

II. Paperwork Reduction Act of 1995 (PRA)²⁴

Title: Reports of transactions with foreign financial agencies (31 CFR 1010.360).

OMB Control Number: 1506-0055.

Form Number: Not applicable.

Abstract: FinCEN is issuing this notice to renew the OMB control number for regulations requiring reports of transactions with designated FFAs.

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: 46,158 domestic financial institutions.

As described above, 31 CFR 1010.360(a) authorizes the Secretary, when appropriate, to promulgate regulations requiring specified financial institutions, as defined in 31 CFR 1010.100(t), to file reports of certain transactions with designated FFAs. Table 1, below, presents FinCEN's estimate of the total population of entities so defined and its distribution by definitional categories.

Table 1. Distribution of financial institutions covered by this notice, by type of financial institution

Financial Institution Type^a	Number of Entities
Bank ^b	9,384 ^c
Bank with a Federal Functional Regulator (FFR)	8,989
Bank without an FFR	395
Broker or dealer in securities (broker-dealer) ^d	3,306 ^e
Money Services Business ^f	28,456 ^g
Dealer in Foreign Exchange ^h	4,974 ⁱ
Check Cashers ^j	22,773 ^k
Issuer/Seller of Traveler's Checks ^l	2,801 ^m
Issuer/Seller of Money Orders ⁿ	14,295 ^o

²³ 31 CFR 1010.430(d).

²⁴ Pub. L. 104-13, 109 Stat. 163 (May 22, 1995), codified at 44 U.S.C. 3506(c)(2)(A).

Provider or Seller of Prepaid Access ^p	3,985 ^q
Money Transmitter ^r	17,944 ^s
U.S. Postal Service ^t	0 ^u
Telegraph Company ^v	0 ^w
Casino or Card Club ^x	1,292 ^y
Person subject to supervision by any State or Federal Bank Supervisory Authority ^z	0 ^{aa}
Futures Commission Merchants and Introducing Brokers in Commodities ^{bb}	956 ^{cc}
Mutual Fund ^{dd}	2,764 ^{ee}
Total	46,158

^a See 31 CFR 1010.100(t) (definition of financial institution).

^b See 31 CFR 1010.100(t)(1); *see also* 31 CFR 1010.100(d) (definition of bank).

^c This includes 4,490 Federal Deposit Insurance Corporation (FDIC)-insured depository institutions (including national banks, state banks that are members of the Federal Reserve System, state-chartered non-member banks, and insured U.S. branches of foreign banks, i.e., all federally regulated banks) according to the FDIC's quarterly data summary for Q4 2024, and 4,499 National Credit Union Administration (NCUA)-insured credit unions (including federal credit unions and state-chartered credit unions with NCUA insurance, i.e., all federally regulated credit unions) according to NCUA's quarterly credit union data summary for Q4 2024. 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 FFR. FinCEN used this data to identify 395 banks and credit unions with no FFR that are utilizing Federal Reserve Bank financial services.

^d See 31 CFR 1010.100(t)(2).

^e This estimate is based on Securities and Exchange Commission (SEC) data on active broker-dealers which listed 3,306 active broker-dealers registered with the SEC as of Apr. 29, 2025. *See* SEC, Company Information About Active Broker-Dealers, available at <https://www.sec.gov/foia-services/frequently-requested-documents/company-information-about-active-broker-dealers>.

^f See 31 CFR 1010.100(t)(3); *see also* 31 CFR 1010.100(ff) (definition of money services business).

^g The definition of MSB (31 CFR 1010.100(ff)) covers both principal money services businesses (MSBs) and agents. The topline value for all MSBs represents the average number of uniquely identifiable registered MSBs with indicia of ongoing operations as of the three year-ends 2022-2024, and primarily includes only principal MSBs required to register with FinCEN. FinCEN believes that the reporting and recordkeeping obligations this regulation imposes on MSBs will fall overwhelmingly on principals rather than their agents, but FinCEN is interested in any comments the public may have on this position. FinCEN has estimated that the number of agent MSBs is approximately 229,161 and invites public comment on this figure as well. *See* FinCEN, *Agency Information Collection Activities; Proposed Renewal; Comment Request; Renewal Without Change of Regulations Requiring Records To Be Made and Retained by Financial Institutions, Banks, and Providers and Sellers of Prepaid Access*, 89 FR 65971 (Aug. 13, 2024).

^h See 31 CFR 1010.100(ff)(1).

ⁱ This value represents the number of uniquely identifiable registered MSBs with indicia of ongoing operations as of year-end 2024 that self-identified as either "Currency Dealer or Exchanger" (FinCEN Form 107, Code 407) or "Dealer in Foreign Exchange" (FinCEN Form 107, Code 415). Registrants may be members of multiple category types. The estimate is derived from FinCEN's publicly available MSB data as of Apr. 28, 2025.

^j See 31 CFR 1010.100(ff)(2).

^k This value represents the number of uniquely identifiable registered MSBs with indicia of ongoing operations as of year-end 2024 that self-identified as "Check Cashier" (FinCEN Form 107, Code 408). Registrants may be members of multiple category types. The estimate is derived from FinCEN's publicly available MSB data as of Apr. 28, 2025.

^l See 31 CFR 1010.100(ff)(3).

^m This value represents the number of uniquely identifiable registered MSBs with indicia of ongoing operations as of year-end 2024 that self-identified as either "Issuer of Travelers Checks" (FinCEN

Form 107, Code 401) or “Seller of Travelers Checks” (FinCEN Form 107, Code 402). Registrants may be members of multiple category types. The estimate is derived from FinCEN's publicly available MSB data as of Apr. 28, 2025.

ⁿ See 31 CFR 10101.100(ff)(3).

^o This value represents the number of uniquely identifiable registered MSBs with indicia of ongoing operations as of year-end 2024 that self-identified as either “Issuer of Money Orders” (FinCEN Form 107, Code 404) or “Seller of Money Orders” (FinCEN Form 107, Code 405). Registrants may be members of multiple category types. The estimate is derived from FinCEN's publicly available MSB data as of Apr. 28, 2025.

^p See 31 CFR 1010.100(ff)(4)(i)-(iii), (7)(i)-(ii).

^q This value represents the number of uniquely identifiable registered MSBs with indicia of ongoing operations as of year-end 2024 that self-identified as either “Seller of Prepaid Access” (FinCEN Form 107, Code 413) or “Provider of Prepaid Access” (FinCEN Form 107, Code 414). Registrants may be members of multiple category types. The estimate is derived from FinCEN's publicly available MSB data as of Apr. 28, 2025.

^r See 31 CFR 1010.100(ff)(5).

^s This value represents the number of uniquely identifiable registered MSBs with indicia of ongoing operations as of year-end 2024 that self-identified as “Money Transmitter” (FinCEN Form 107, Code 409). Registrants may be members of multiple category types. The estimate is derived from FinCEN's publicly available MSB data as of Apr. 28, 2025.

^t See 31 CFR 1010.100(ff)(6).

^u FinCEN does not expect the U.S. Postal Service, as defined in 31 CFR 1010.100(ff)(6), to incur any recordkeeping or reporting obligations in connection with this rule.

^v See 31 CFR 1010.100(t)(4).

^w As an estimate of uniquely registered, potentially affected entities, FinCEN expects this category to contain no additional persons or organizations not already included in other counts, particularly as money transmitters.

^x See 31 CFR 1010.100(t)(5)-(6).

^y Estimate based on the American Gaming Association (AGA) “State of the States,” available at <https://www.americangaming.org/wp-content/uploads/2024/05/AGA-State-of-the-States-2024.pdf>.

^z See 31 CFR 1010.100(t)(7).

^{aa} It is unclear to FinCEN at this time whether any entities exist in this category that, for purposes of being counted towards unique potentially affected parties that could incur burdens associated with regulations issued pursuant to 31 CFR 1010.360, are not already captured by concurrent status in another category of financial institution under the 31 CFR 1010.100(t) definition. To the extent that additional data can better inform this estimate, public comment including provision of such data is invited.

^{bb} See 31 CFR 1010.100(t)(8-9).

^{cc} The number of futures commissions merchants as of May 2025 was obtained from data available at NFA Membership and Registration, available at <https://www.nfa.futures.org/registration-membership/membership-and-directories.html>. This estimate may include some entities registered in both categories, but FinCEN believes this figure to be small. According to the Commodity Futures Trading Commission (CFTC), as of Mar. 31, 2025, there are 63 registered futures commissions merchants. See CFTC, Financial Data For CFMs, available at <https://www.cftc.gov/MarketReports/financialfcmdata/index.htm>.

^{dd} See 31 CFR 1010.100(t)(10).

^{ee} According to the SEC, as of the fourth quarter of 2024, in 2024 there were 2,764 open-end registered investment companies that report on Form N-CEN. (<https://www.sec.gov/dera/data/form-ncen-data-sets>).

While the entities in Table 1 are subject to FFA Regulations as described above, FinCEN typically issues FFA Regulations to a significantly smaller subset of the eligible population. From 2022 to 2025, FinCEN generally issued FFA Regulations to banks and

broker-dealers as defined in Table 1. Among these, FinCEN required reports from an average of 15 unique institutions per year. FinCEN has applied historical data on FFA Regulations to estimate the number of respondents per year. The estimated number of expected respondents per year is based on the average number of respondents per FFA Regulation issued over the three-year period from 2022 to 2025 multiplied by the average number of FFA Regulations issued per year over the same period.

Estimated Number of Expected Respondents: 40 domestic financial institutions, annually on average.²⁵

FinCEN is revising its estimate of expected respondents upward to reflect an increase in the quantity of FFA Regulations issued and an increase in the average number of financial institutions directed to respond to each such FFA Regulation since the most recent previous OMB control number renewal. In the three calendar-year period between 2019 and 2022, FinCEN issued four FFA Regulations to an average of nine covered financial institutions per regulation.²⁶ During the analogous three-year period between 2022 and 2025, FinCEN issued 11 FFA Regulations (about four per year) to an average of ten covered financial institutions per regulation.

Estimated Total Annual Responses: 40 responses.²⁷

FinCEN is also revising the structure of its burden estimates to enhance comparability and tractability across the activities a covered financial institution is

²⁵ Because the same respondent may be subject to reporting requirements under more than one issued regulation in the same calendar year, the estimated number of expected respondents may exceed the number of unique entities to whom reporting and recordkeeping burdens would accrue. *See infra* discussion below.

²⁶ *See* FinCEN, “Agency Information Collection Activities; Proposed Renewal; Comment Request; Renewal Without Change of Reports of Transactions With Foreign Financial Agencies”, 87 FR 1479 (Jan. 11, 2022), n. 10 and 11.

²⁷ The estimated number of annual responses is based on the expectation that each newly issued regulation would engender one response per respondent, consisting of three reports (one initial and two subsequent), and is based on the average number of regulations issued per calendar year over the most recent three years multiplied by the average number of respondents per regulation issued during the same period. *See* discussion below.

expected to undertake in compliance with 31 CFR 1010.360. The downward revision in the estimated total annual responses in this renewal (40), as compared to the most recent previous estimate (84), does not reflect an expected decrease in responses, but rather a change in what a ‘response’ is intended to represent.

In formulating its estimates of reporting and recordkeeping burdens for this OMB control renewal, FinCEN anticipates that each FFA Regulation will require information from one or more respondents who would consequently incur incremental reporting and recordkeeping obligations unique to the regulation. Each respondent would be required to provide FinCEN with a response in the form of a report, or reports, with respect to each of the FFAs identified in the regulation. In prior renewals, FinCEN has referred to, and treated each of the reports provided to comply with an issued regulation as an individual response, and because the number of reports and the time-period covered by each report required has historically varied by regulation issued, this made the exercise of mapping respondents to responses to per-response burden for purposes of cost estimations less tractable and less likely to meaningfully represent the manner in which respondents view and operationalize their compliance activities. While the historical analysis below retains individual reports as the fundamental unit of analysis, for purposes of estimating PRA burdens, FinCEN is employing a standardized model that treats the sum total of reports a respondent provides to FinCEN as one response, composed of three notional reports, one that captures a more extensive, costly “initial report,” and represents all follow-on reporting as two “subsequent reports” of shorter length and lower associated costs (i.e. “subsequent reports” after the initial report).

In calendar years 2022-2024, FinCEN issued a total of 11 FFA Regulations — approximately four per year. The FFA Regulations required that financial institutions respond with information on one to 308 FFAs per request, with an average of 50 FFAs per regulation.

Four annual FFA Regulations multiplied by 50 FFAs per regulations equals 200 FFAs per year per respondent. During this period, there was one FFA Regulation that included 308 FFAs, which is significantly larger than the number of FFAs per regulation when compared to other FFA Regulations issued during the same period. Excluding that instance, the average number of FFAs per regulation was approximately 25 (24.4). FinCEN believes that instance to be an outlier. However, to maintain a conservative estimate, FinCEN has retained the higher figure of 50 FFAs per regulation.

Although FFA Regulations require about 200 reports per respondent per year, each response requires multiple reports that are sent at different times. The initial report will include transactions that occurred over a specified “look-back” period. Each subsequent report will include transactions that have occurred since the initial report (if it is the first subsequent report) or since the most recent prior report (if it is not the first subsequent report). In general, initial reports are more burdensome because they typically require more data and initial research. Across the 11 FFA Regulations issued during the three-year period from 2022-2025, seven have been completed,²⁸ and the resulting reports contained an average of approximately ten million total rows of data, with the initial report containing an average of approximately 60 percent of this volume.

During the three-year period from 2022 to 2025, the average look-back period per request was 737 days, which is approximately 24 months. FinCEN assesses that this is representative of the duration of the look-back period in future requests.²⁹ FinCEN estimates that the initial report, requiring a look-back over an average two-year period, will take approximately 16 hours (two business days) for initial research, approval by

²⁸ Several FFA Regulations from 2024 and 2025 are still ongoing.

²⁹ This range can vary, particularly when “renewing” an FFA Regulation. In such cases, FinCEN asks respondents to “look-back” over a shorter period, generally one to three months to the last collection on the associated FFAs. In such cases, initial reporting burden will be smaller. FinCEN applies a conservative estimate for the purposes of estimating burden here, assuming FFAs that are the subject of a regulation are initial FFA Regulations with no immediate precedent.

management, and reporting (i.e. transmission), which includes setting up a template for subsequent reporting.

Over the same period, the number of subsequent reporting periods per FFA Regulation ranged from seven to 14, with an average of ten. The subsequent reports were always required over a period of 180 days. However, beginning in 2025 and for future FFA Regulations, FinCEN intends to require a smaller number of subsequent reporting periods, with as few as two per regulation, as appropriate. This approach will result in an average number of three reports per regulation under this framework: the initial report (including look-back), and two subsequent reports. FinCEN estimates that each subsequent report (an expected average of two in total) will take approximately two hours (one hour for data gathering and one hour for approval and reporting).

Estimated Reporting and Recordkeeping Burden: 40,500 hours, as set out in Table 2, below.

FinCEN considers the primary burden to be associated with the preparation of required reports, which it anticipates may potentially involve multiple stages of processing and review by respondents and/or their need to access multiple data systems, depending on the scope or complexity of the regulation or the nature of a given FFA.

Generally, the information required to be reported pursuant to an FFA Regulation is basic information that a domestic financial institution must already maintain to comply with current BSA recordkeeping requirements. For example, a domestic financial institution sending or receiving transmittal orders (funds transfers) with a designated FFA would have access to the information required to be reported. The information required to be reported pursuant to an FFA Regulation falls into one or more of the following categories: (i) checks or drafts; (ii) transmittal orders; (iii) loans; (iv) commercial paper; (v) stocks; (vi) bonds; and (vii) certificates of deposit. Although FFA Regulations may concern any of these types of transactions, in general, over the past three years, FinCEN

has only promulgated regulations associated with funds transfers. As noted above, FinCEN will specify the form and method for reporting and typically provides a reporting schedule to each specified financial institution. If a specified financial institution does not have any reportable transactions, that information must be reported to FinCEN.

FinCEN also requires that filers maintain records of data reported pursuant to FFA Regulations. The FFA information is typically reported by uploading a comma-separated value file spreadsheet through FinCEN's Secure Information Sharing System, which allows the filer to save an electronic version of the report and satisfy the recordkeeping requirement. FinCEN estimates that the recordkeeping requirement will take five minutes on average.

Table 2 provides a summary of the total expected annual burden hours for all FFA Regulations.

Table 2. Burden associated with each portion of the annual PRA estimate

Activity	Expected number of FFA Regulations issued	Expected number of respondent	Expected frequency per respondent	Average burden hours per provision	Total annual burden hours
Filing initial report(s) ^a of certain transactions with designated FFAs ^b	4	10	1	800	32,000
Filing subsequent reports of certain transactions with designated FFAs			2	100	8,000
Complying with recordkeeping requirements that apply to reports ^c			3	4 ^d	500
Total					40,500

^a The burden calculations in this table contemplate that the average number of FFAs per regulation issued is 50, each of which would require its own report, and would thereby incur the following burden hours per report: 16 (initial report), 2 (subsequent reports), and 1/12 (recordkeeping).

^b The filing of an initial report includes the applicable look-back period and includes the burden associated with operationalizing the reporting format specified by FinCEN.

^c Records associated with the reports produced in response to regulations issued pursuant to 31 CFR 1010.360 are subject to the requirements in 31 CFR 1010.430.

^d Rounded to the nearest whole number (four) from approximately 4.2 ($50 \times 1/12 = \sim 4.167$).

In the previous renewal of this OMB control number, FinCEN revised its estimate of burden in response to comments received,³⁰ which described a range of required response times for FFA Regulations of varying complexity.³¹ In that renewal, FinCEN proposed three categories of FFA Regulation: simple regulations (25% of total request, taking seven hours total per response on average), typical regulations (50% of total requests, taking 100 hours total per response on average), and complex regulations (25% of total requests, taking 360 hours per response on average). The weighted average response time for these regulation categories is 141.75 hours in total. Between 2019 and 2021 (the period before the comment letter was submitted), FinCEN FFA Regulations sought information on an average of seven FFAs per regulation. As discussed above, FinCEN has also historically required seven subsequent reports before the recent change (where going forward, FinCEN expects to only require two subsequent reports in most FFA Regulations). Using this methodology in combination with the revised time estimates laid out in Table 2, the initial report for the past period (2022-2025) would be estimated to require 112 hours (16 hours per 7 FFAs, conducted one time) and the subsequent reports are estimated to take 98 hours (two hours per 7 FFAs, conducted seven times on average), for a total of 210 hours on average per FFA Regulation. However, because subsequent reports were more frequent during this period, and therefore involved smaller data files, the corresponding subsequent report time for this period would be closer to one hour per FFA (instead of two hours per FFA). Applying this equivalence results in a total estimated average time of 161 hours per FFA Regulation during 2022-2025, which is a close approximation of the weighted average time per FFA Regulation from the previous renewal.

³⁰ See FinCEN, “Agency Information Collection Activities; Proposed Renewal; Comment Request; Renewal Without Change of Reports of Transactions With Foreign Financial Agencies,” 87 FR 1479 (Jan. 11, 2022). See also the information collection request documents, including the supporting statement for the 2022 renewal at https://www.reginfo.gov/public/do/PRAViewDocument?ref_nbr=202203-1506-001.

³¹ See the public comment in response to the 2022 renewal at https://www.reginfo.gov/public/do/PRAViewDocument?ref_nbr=202203-1506-001.

Using the figures from Table 2, the average total time per request anticipated by this renewal is 1,000 hours (an initial report taking 16 hours per FFA for 50 FFAs on average, plus two subsequent reports taking two hours per FFA for 50 FFAs on average). This increase is largely the result of the previous period (2022-2025) including several highly complex requests involving significantly more FFAs than were included in prior years' FFA Regulations. As discussed above, during this period there was an FFA Regulation that included 308 FFAs. Excluding that instance, the average number of FFAs per FFA Regulation was approximately 25 (24.4). While this previous period may therefore be exceptional, and therefore of limited predictive value for future expectations, FinCEN is not removing outliers from its estimates to take a more conservative approach to assessing the burden of issuing regulations. Using the figure of 25 FFAs per regulation results in an expected average total time per regulation of 500 hours, which is approximately equivalent to the upper end of the typical range described by the commenter for the 2019-2021 period.

Estimated Total Annual Recordkeeping Cost: The estimated total annual PRA cost is \$4,860,000, as set out in Table 3.

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 dollar, \$120.00.³² The total estimated cost of the annual PRA burden is reflected in Table 3 below:

³² 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 provided by the Bureau of Labor Statistics (BLS) 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 parts 1020-1030. See BLS, Occupational Employment and Wage Statistics Tables, "May 2023 - National industry-specific and by ownership," available at <https://www.bls.gov/oes/tables.htm>. The benefit factor is 1 plus the benefit/wages ratio. As of June 2023, Total Benefits = 29.4 and Wages and Salaries = 70.6 ($29.4/70.6 = 0.42$) based on the BLS' Private Industry Workers Series data. See BLS, News Release, "Employer Costs for Employee Compensation – June 2023," available at https://www.bls.gov/news.release/archives/ecec_09122023.pdf.

Table 3. Estimated total cost of annual PRA burden

Activity ^a	Burden hours	Wage rate	Total cost
Filing initial reports of certain transactions with designated FFAs	32,000	\$120	\$3,840,000
Filing subsequent reports of certain transactions with designated FFAs	8,000		\$960,000
Complying with the recordkeeping requirements in 31 CFR 1010.430	500		\$60,000
Total annual cost			\$4,860,000

^a See respective activities in Table 2.

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.³³

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's 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.

Because many employers provide non-wage benefits (e.g., insurance, paid leave), the private sector benefit is applied to reflect the total cost to the employer.

³³ See 31 CFR 1010.430(d).

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) As noted above, FinCEN data indicates that initial reporting volume requires significantly more research and templating than the subsequent reports. FinCEN estimated 16 hours for initial reports and two hours each for subsequent reports. Does this distribution of expected burden hours reflect how responses to FFA Regulations are executed? If not, how long does it take a firm on average to provide an initial report and each subsequent report? Are there any factors that affect this time burden that would improve FinCEN's estimates of burden or costs?
- (2) FinCEN's burden analysis recognizes that there may be technology costs associated with reporting and storing transaction data. Are these incremental costs readily quantifiable? If so, how much are they expected to vary by respondent? Do they differ in relative or absolute value for smaller respondents?

Andrea M. Gacki,
Director,
Financial Crimes Enforcement Network