

**DATE:** June 1, 2021  
**BULLETIN:** 2021-KDCU-CUB-11  
**TO:** Kansas Chartered Credit Unions  
**SUBJECT:** Anti-Money Laundering Act of 2020, Part IV

### ANTI-MONEY LAUNDERING ACT OF 2020, PART IV

The ongoing discussion with regard to the Anti-Money Laundering Act (AMLA) which was passed on January 1, 2021, as part of the National Defense Authorization Act (NDAA), continues with this fourth, and final, bulletin.

The Secretary of the U.S. Treasury, in consultation with law enforcement agencies and regulators, including state credit union supervisors, is directed to undertake a formal review of financial institution reporting requirements relating to **currency transaction reports (CTR) and suspicious activity reports (SAR)**. This includes the process used to submit the reports and regulations implementing the Bank Secrecy Act (BSA). Following the review, the Secretary is to propose changes to reduce any unnecessarily burdensome regulatory requirements. This will also include a review of CTR and SAR threshold requirements, and the effects adjusting the thresholds will have on law enforcement, intelligence, national security and homeland security agencies, as well as the costs likely to be incurred/saved by financial institutions.

The AMLA provides a **safe harbor** for “keep open requests” from federal law enforcement agencies. If a financial institution is asked to keep an account or transaction open, by a federal law enforcement agency or a local law enforcement agency with the concurrence of FinCEN, the financial institution will not be liable when maintaining the account consistent with the request. No federal or state agency may take adverse supervisory action.

Finally, the U.S. Comptroller General is to conduct a study, in consultation with, among others, law enforcement and financial institutions, on commonly used methods to launder and move the proceeds of **trafficking**. This includes, but is not limited to, the types of suspicious financial activity associated with illicit trafficking networks, how financial institutions identify and report such activity and what steps financial institutions are taking to detect and prevent bad actors who are laundering the proceeds of illicit trafficking, including data analysis, policies, training procedures, rules and guidance.

Federal agencies tasked with AMLA assignments have up to one year to complete a review or prepare implementing regulations. This timeframe will allow credit unions to become more familiar with the changes before mandatory compliance.

**NOTE:** Administrator Vickie Hurt has determined the Kansas Department of Credit Unions (KDCU) will begin a return to on-site credit union examinations effective July 1, 2021. In determining the appropriate number of on-site and remote examiners, a variety of factors will be used; however, a minimum of two (2) examiners should be expected. If your credit union has questions, please contact [Administrator Hurt](#).