



September 3, 2024

**VIA E-MAIL ONLY**

Policy Division,  
Financial Crimes Enforcement Network,  
P.O. Box 39, Vienna, VA 22183  
Docket Number FINCEN-2024-0013

**RE: Anti-Money Laundering and Countering the Financing of Terrorist Programs; Docket No. FINCEN-2024-0013**

To Whom It May Concern,

The Wisconsin Bankers Association (WBA) is the largest financial trade association in Wisconsin, representing nearly 200 state and nationally chartered banks, savings banks, and savings and loan associations of all sizes located in Wisconsin, their branches, and over 30,000 employees. WBA appreciates the opportunity to comment on the Financial Crimes Enforcement Network's (FinCEN) notice of proposed rulemaking to modernize financial institutions' anti-money laundering and countering the financing of terrorism (AML/CFT) programs (proposal).

WBA strongly supports the goals of the Anti-Money Launder Act, and its objectives of reinforcing effective, risk-based, and reasonably designed AML/CFT programs. WBA recognizes the significant value these programs provide in the fight against the financing of terrorism and other illicit enterprises. WBA encourages FinCEN to support a risk-based approach in order for banks to properly allocate resources toward customers, activities, and areas where it can be most efficient and effective.

FinCEN has proposed certain minimum program components, including a mandatory risk assessment process. While the majority of the proposed AML/ CFT program components are substantially similar to the existing statutory and regulatory requirements for banks, these proposed additions and modifications to modernize and strengthen financial institutions' AML/ CFT programs are significant. Under the proposed rule, a risk assessment process would need to include consideration of the AML/CFT priorities, among other items, to account for emerging and evolving money laundering and terrorist financing risks. The results of the risk assessment process would then inform the other components of a financial institution's AML/CFT program.

WBA cautions against an approach which not only codifies this practice, which is already a nearly universal bank practice, as the foundation of BSA compliance. In its efforts to modernize AML/CFT programs, FinCEN must ensure it not be overly prescriptive in its approach, and provide for flexibility for banks to properly tailor its risk assessment process to its size, activities, or other characteristics. WBA recommends that FinCEN explicitly permit flexibility to allocate resources appropriately, to areas of higher risk, which demand them while also permitting fewer resources to areas of lower risk. Any other approach would divert needed resources from areas of higher risk toward areas of less significance.

Additionally, FinCEN has proposed an effective date of six months from the issuance of the final rule. Banks will need more time than six months to review the rule, analyze its application to existing processes, plan accordingly, make appropriate policy and process revisions, work with vendors, and ultimately, implement. FinCEN considered proposing an alternative effective date of one year following the adoption of the final rule for small covered financial institutions. WBA recommends that instead FinCEN consider a two year period, similar to the implementation



timeline for its rules requiring collection of beneficial ownership information for legal entity customers.

#### Conclusion

WBA appreciates the opportunity to comment and make recommendations concerning FinCEN's proposal to update AML/CFT programs. WBA understands and appreciates the importance of effective, risk-based, and reasonably designed AML/CFT programs and offers these comments to ensure that resources are allocated efficiently and effectively, and that banks have adequate time to implement the new requirements.

Once again, WBA appreciates the opportunity to comment.

Respectfully,

A handwritten signature in black ink that reads "Rose Oswald Poels". The signature is written in a cursive, flowing style.

Rose Oswald Poels  
President/CEO