

Supporting Statement
Reports of transactions with foreign financial agencies.
OMB Control Number 1506-0055

1. Circumstances Necessitating Collection of Information

The statute generally referred to as the "Bank Secrecy Act," Titles I and II of Public Law 91-508, as amended, codified at 12 U.S.C. 1829b, 12 U.S.C. 1951-1959, and 31 U.S.C. 5311-5332, authorizes the Secretary of the Treasury, *inter alia*, to require financial institutions to keep records and file reports that are determined to have a high degree of usefulness in criminal, tax, and regulatory matters, or in the conduct of intelligence or counter-intelligence activities, to protect against international terrorism, and to implement counter-money laundering programs and compliance procedures.¹ Regulations implementing Title II of the Bank Secrecy Act appear at 31 CFR Chapter X. The authority of the Secretary to administer the Bank Secrecy Act (BSA) has been delegated to the Director of the Financial Crimes Enforcement Network (FinCEN).

Treasury may, by regulation, require specified financial institutions to report transactions by persons with designated foreign financial agencies. In accordance with 31 CFR 1010.360(a), FinCEN issued a final confidential regulation on December 15, 2014, to be effective for 180 days.

2. Method of Collection and Use of Data

This is a recordkeeping and reporting requirement. FinCEN issued a final regulation under this authority. See item 12 for a burden estimate specific to this regulation.

3. Use of Improved Information Technology to Reduce Burden

Reporting by e-mail and MS Excel spreadsheet aids in reducing the associated burden.

4. Efforts to Identify Duplication

Not applicable

5. Methods to Minimize Burden on Small Businesses or other Small Entities

Not applicable

¹ Language expanding the scope of the Bank Secrecy Act to intelligence or counter intelligence activities to protect against international terrorism was added by Section 358 of the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001, P.L. 107-56.

6. Consequences to the Federal Government of Not Collecting the Information

The loss of critical financial information could negatively impact on-going operations.

7. Special Circumstances Requiring Data Collection Inconsistent with Guidelines

Regulations under 31 CFR 1010.430, require records be kept for 5 years. This retention period is necessary to substantiate violations that have occurred within the statute of limitations (5 or 6 years).

8. Consultation with Individuals Outside of the Agency on Availability of Data, Frequency of Collection, Clarity of Instructions and Forms, and Data Elements

On December 15, 2014, FinCEN issued a final regulation. In accordance with provisions in 31 CFR 1010.360, the final regulation was not published in the *Federal Register*.

9. Payments and Gifts

No payments or gifts were made to respondents.

10. Assurance of Confidentiality of Responses

Information collected under 31 U.S.C. 5311 -5332 may be made available to appropriate law enforcement agencies and supervisory agencies.

11. Justification of Sensitive Questions

There are no questions of a sensitive nature in the collection of information. Any personally identifiable information collected under the BSA is strictly controlled as outlined in the FinCEN's Systems of Records Notice http://www.fincen.gov/foia/files/FinCEN_79_FR_20969.pdf.

12. Estimated Annual Hourly Burden

Frequency: As required

Burden: The estimated number of respondents per year is 200. The estimated number of responses is 1 per respondent, with a reporting burden of 5 hours per respondent, for a total annual burden of 1000 hours.

13. Estimated Annual Cost to Respondents for Hour Burdens

Not required

14. Estimated Annual Cost to the Federal Government

Not required

15. Reason for Change in Burden

After appropriate consultation with law enforcement, FinCEN issued regulations under 31 CFR 1010.360 for the first time.

16. Plans for Tabulation, Statistical Analysis, and Publication

This collection of information will not be published.

17. Request not to Display Expiration Date of OMB Control Number

FinCEN requests that it not be required to display the expiration date so that the regulations will not have to be amended for the new expiration date every three years.

18. Exceptions

There are no exceptions to the certification statement.