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OCC-SAR EXEMPTIONS (National Banks and Federal Savings Associations)

I. INTRODUCTION

To help banks develop more efficient and effective Bank Secrecy Act compliance programs, the Office of the Comptroller of the Currency (OCC) has finalized a rule that would allow the agency to issue exemptions from Suspicious Activity Report (SAR) requirements in certain circumstances.

Under the final rule, national banks seeking an exemption must submit a request in writing to the OCC. In reviewing these requests, the OCC will consider whether the exemption is consistent with the purposes of the Bank Secrecy Act and with safe and sound banking, and may consider any other appropriate factors, including outstanding supervisory concerns regarding BSA/AML compliance. Institutions would also need to seek an exemption separately from the Financial Crimes Enforcement Network.

The final rule will enable the OCC to facilitate changes required by the Anti-Money Laundering Act of 2020, and will also make it possible for the OCC to grant relief to national banks or federal savings associations that develop innovative solutions intended to meet Bank Secrecy Act requirements more efficiently and effectively. The FDIC and Federal Reserve have also issued separate proposals regarding SAR exemptions. **The rule took effect on May 1, 2022.**

The foregoing Compliance Update is for informational purposes only and does not constitute legal advice. As a reminder, the NBA general counsel is the attorney for the Nebraska Bankers Association, not its member banks. The general counsel is available to assist members with finding resources to help answer their questions. However, for specific legal advice about specific situations, members must consult and retain their own attorney.