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#### BANK CRIMINAL REFERRAL REPORTING SIMPLIFIED

The Office of the Comptroller of the Currency (OCC) today sent a proposed rule to the Federal Register that would reduce unnecessary regulatory burden on national banks by simplifying the process for reporting suspected crimes and suspicious financial transactions by national banks. The proposal was developed as part of an interagency effort to consolidate reporting requirements. The same proposal will be issued by the Board of Governors of the Federal Reserve System, the Office of Thrift Supervision and the Federal Deposit Insurance Corporation.

Today's proposal to revise part 21 of the OCC regulations:

Reduces the number of reports that financial institutions must file by raising the mandatory reporting dollar thresholds. The threshold would be raised to \$5,000 from \$1,000 when a bank has identified a suspect who is not a bank insider. If the suspect is a bank insider, filing would continue to be required regardless of the dollar amount. The threshold would be raised to \$25,000 from \$5,000 when a bank has not identified a suspect. The OCC estimates that the number of reports filed by national banks as a result of these higher filing thresholds will decrease by 25 percent.

Reduces the number of copies of each filing that must be submitted by requiring financial institutions to send a single copy of each report to one place, the Financial Crimes Enforcement Network (FinCEN), Department of the Treasury. At present, institutions have to submit copies to as many as six different agencies.

Clarifies the procedures for filing reports by implementing a new, consolidated interagency report form, the Suspicious Activity Report (SAR), that melds and replaces all other criminal referral and suspicious financial transaction reports.

The new process will also simplify the task of filing reports. The SAR requires less information than its predecessor forms and can be completed manually or by using software provided by the supervisory agencies. Financial institutions will also have the option of filing SARs on various forms of magnetic media instead of on paper.

Each SAR will be entered into a newly created computer database. The database will enhance law enforcement and supervisory agencies' ability to track, investigate, and prosecute suspected violations of federal criminal laws.

Public comments on the proposed rule are due on September 1, 1995.