



March 22, 2024

Policy Division
Financial Crimes Enforcement Network
P.O. Box 39
Vienna, VA 22183

RE: Beneficial Ownership Information Requests
Docket Number: FINCEN-2024-0002

Ms. Gacki,

Coastal Federal Credit Union is a member-owned cooperative headquartered in Raleigh, NC with \$5.1 billion in assets serving over 332,000 members. We appreciate the opportunity to comment on the estimated burden associated with the Beneficial Ownership Information (BOI) Access Rule that was finalized in December 2023. Although we believe accessing the BOI database will greatly improve our compliance with the rule's due diligence requirements, the estimates provided may not accurately reflect the burden on our financial institution.

The submission of a written certification for each request is not a concern nor is the information that would be requested; however, to minimize inaccuracies and provide oversight, we anticipate the certification submission to be performed by a limited number of employees separate from those employees obtaining and documenting consent from reporting companies. As this separation of duties would involve multiple individuals, we believe the estimated annual hours to be low.

The hours for the first year to develop and implement administrative and physical safeguards appear to be underestimated as well. The estimated hours per entity is only 240 but with BOI access being a new process, financial institutions, particularly smaller community banks and credit unions, would spend at least double that to develop new processes, create or update documents for obtaining consent, develop recordkeeping and tracking processes, provide relevant training, and update internal policies. This impact to build and maintain the infrastructure necessary to comply would be burdensome, particularly on smaller financial institutions. With this additional requirement, credit unions may have to make the tough decision to discontinue offering the product. This in turn would diminish the services we can offer our members and impact growth and access.

After the issuance of the BOI proposal to revise the customer due diligence requirements for financial institutions and additional guidance documents for the BOI Access Rule we will be able to determine the full impact of the implementation of the BOI rules and provide additional feedback to FinCEN. We would like to again thank FinCEN for the opportunity to provide feedback on the impact of the BOI Access Requests.

Sincerely,

Arlene Babwah
Chief Risk Officer
Coastal Federal Credit Union