

August 9, 2016

Legislative and Regulatory Activities Division
Office of the Comptroller of the Currency
Attn: 1557-0231
400 7th Street, S.W., Suite 3E-218
Washington DC 20219

Subject: *Information Collection*: **Bank Secrecy Act / Money Laundering Risk Assessment**

This letter is in response to the Office of the Comptroller of the Currency's (OCC) 30-day notice to collect information on, "Bank Secrecy Act / Money Laundering Risk Assessment", also known as the Money Laundering Risk (MLR) System. Comments must be submitted by September 7, 2016.

The Office of Management and Budget (OMB), and the Office of Information and Regulatory Affairs (OIRA) should **refuse** to assign an OMB Control Number. The OCC may not conduct or sponsor an information collection unless it displays a valid OMB Control Number.

It is a shame that that the OCC, a federal agency with 3,900 employees that has existed for over one hundred-and-fifty-years, cannot provide *minimal* responses to legitimate public comments.

OIRA should Not assign a valid OMB Control Number for three reasons:

1. *OCC Did Not Take the Paperwork Reduction Act (PRA) Seriously*: Despite the fact that almost all commenters raised concerns on the OCC's burden estimate, the agency dismissed all public comments. The OCC's 30-day notice does not address any of the facts or questions raised by commenters during the 60-day notice period. Nor has the OCC even modestly adjusted any aspect of its proposed information collection in view of consistent comments from the public. Rather, the OCC's 30-day notice simply recaps a few comments, dismisses them, and then resorts to bromides, declaratively stating, "Collecting MLR data from all supervised banks will yield substantial information that will provide a high degree of utility for the OCC in meeting its supervisory obligations." This OCC's statement is not true for the reasons set forth in item #2.
2. *The Information Collection is Duplicative*: The OCC already collects the proposed information in its *annual* on-site examination of BSA/AML/OFAC controls at large and midsize banks.

The OCC should re-use the data it already collects in its annual BSA/AML examinations at large and midsize banks.

During the annual BSA/AML examinations at large and midsize banks, OCC examiners perform detailed examinations of data, suspicious activity monitoring systems, suspicious activity reporting, customer due diligence, enhanced due diligence, currency transaction reporting, calculation of aggregate BSA/AML risk and its direction, identification of higher risk customers, higher risk products, higher risk geographies, BSA/AML training, and independent testing. The OCC already does (or can) collect this information during its annual on-site examination of large and midsize banks. Therefore, the OCC's proposed information collection is duplicative of information the agency already collects. The OCC's information collection proposal appears to be driven more by sheer historical tradition and speculative interest rather than by legitimate agency need.

3. *The OCC's Information Collection Proposals in 2016 have been Inconsistent with Executive Orders:*
The OCC has not even attempted to meet the spirit and intent of Executive Order 13610, which asks federal agencies – including independent agencies – to consider cumulative burdens and take initiatives to produce significantly quantifiable reductions in paperwork burdens.

A Memorandum from the Executive Office of the President, dated June 22, 2012, reminds agencies of the aforementioned executive order. It further states, "Eliminating unjustified regulatory requirements, including unjustified reporting and paperwork burdens, is a high priority of this Administration." The memorandum goes on to state that agencies should eliminate unnecessary and redundant collections and maximize the re-use of data that are already collected. As reflected in the public comments, the proposed information collection is unnecessary and redundant. To date, the OCC has done nothing to comply with this executive order.

The OCC should re-use the data it already collects in its annual BSA/AML examinations of large and midsize banks.

I appreciate the opportunity to comment on the OCC's information collection. I wish the agency the best of luck.

Sincerely,

Sandra A. Holly
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