



February 20, 2020

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

*Submitted via Federal Portal: <http://www.regulations.gov>*

**RE: Docket No. FINCEN-2019-0007 / OMB Control No. 1506-0070 – RFC – Beneficial Ownership Requirements**

Dear Sir or Madam,

On behalf of Minnesota's 101 credit unions and their more than 1.8 million members, please accept these comments in response to the Financial Crimes Enforcement Network's (FinCEN) Request for Comments regarding Beneficial Ownership Requirements for Legal Entity Customers. Please consider the following comments.

*Necessity of Collecting Beneficial Owner Information*

One of the questions on which FinCEN seeks comment is "whether the collection of information is necessary for the proper performance of the functions of the agency, including whether the information shall have practical utility?" We cannot answer the first part of this question. Whether the collection of beneficial owner information is necessary for FinCEN's function is perhaps a question only FinCEN can answer. However, regarding the second part of the question, we don't think the information provided has practical utility because it's quite easy for a person to lie to a financial institution about the beneficial owners of a legal entity. Even if supporting documents (e.g., operating agreement or stock ledger) were to be collected, it's not difficult for those documents to be falsified.

Furthermore, financial institutions are not investigative agencies and therefore not the appropriate place for this information to be gathered. There are already federal and state governmental agencies and authorities such as the IRS, secretaries of state and departments of revenue at which the beneficial owner information is already, or could be, collected and provided to FinCEN. Another source of information that could be used to gather this information is the money service bureau database. The information provided by these sources is likely to be more reliable. Even if it's not, these sources already exist so we don't think it makes sense to ask financial institutions to collect the information.

*Minimizing the Burden*

FinCEN also seeks input on how the burden of collecting beneficial owner information could be minimized. The burden could be minimized by removing the requirements all together and gathering the information from sources like the ones mentioned above.

In summary, we don't think the beneficial owner information gathered under the requirement has practical utility. Additionally, other sources for this beneficial owner information already exist and are likely to possess more reliable information. For these reasons, the compliance burden placed upon credit unions, and other financial institutions, is not justified and should be removed. Thank you for the opportunity to comment. We hope our comments are well received. If you have any questions, please contact me via [email](#) or at (651) 288-5517.

Sincerely,

A handwritten signature in blue ink that reads "Tim Tacheny". The signature is written in a cursive, slightly stylized font.

Tim Tacheny  
General Counsel  
Minnesota Credit Union Network