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April 6, 2021

The Honorable Barry Loudermilk
U.S. House of Representatives
Washington, D.C. 20515

The Honorable Tom Emmer
U.S. House of Representatives
Washington, D.C. 20515

The Honorable Anthony Gonzalez
U.S. House of Representatives
Washington, D.C. 20515

The Honorable Andy Barr
U.S. House of Representatives
Washington, D.C. 20515

Dear Representatives Loudermilk, Emmer, Gonzalez, and Barr:

On behalf of community banks across the country, with nearly 50,000 locations, I write to thank you for introducing the Financial Reporting Modernization Act (H.R. 2040), which would raise the currency transaction reporting (CTR) and Suspicious Activity Reporting (SAR) thresholds to \$30,000 and \$10,000. These updated thresholds would result in more targeted, useful information for law enforcement while allowing community banks to redirect their resources toward serving their communities.

Current reporting thresholds under the Bank Secrecy Act are significantly outdated and capture far more transactions than originally intended. The CTR threshold of \$10,000 was set in 1970 and has not been adjusted since that time. Similarly, SAR thresholds have not been adjusted since becoming effective in 1992. CTR and SAR filings are a primary source of community bank compliance burden and expense, diverting resources that could be better directed toward community lending.

ICBA strongly supports H.R. 2040, and we look forward to working with you to advance this important legislation.

Sincerely,

/s/

Rebeca Romero Rainey
President & CEO

CC: Members of the House Committee on Financial Services

The Nation's Voice for Community Banks.®

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