



Regulatory Comment: NCUA AML/CFT Programs Proposed Rule

THE ISSUE:

On April 10, the NCUA, OCC, and FDIC jointly issued a [proposed rule](#) to amend their anti-money laundering and countering the financing of terrorism (AML/CFT) program rules to align with FinCEN's concurrent proposal implementing the Anti-Money Laundering (AML) Act of 2020. The proposal would replace the traditional Bank Secrecy Act (BSA) compliance program framework with a more explicit risk-based AML/CFT program standard, reaffirm core program elements, and give FinCEN a more formal role in certain supervisory and enforcement matters.

IMPACT TO CREDIT UNIONS:

While credit unions already perform many of the activities reflected in the proposal, the more immediate impact may be how AML/CFT expectations are supervised, examined, and documented going forward. The proposal reinforces a risk-based approach and recognizes that expectations should be proportionate to a credit union's size, complexity, and risk profile. The rule may result in a supervisory posture more tolerant of risk-based deviations from prescriptive practices.

KEY POINTS:

- Refocuses AML/CFT program requirements around effectiveness and the core purposes of the BSA rather than technical compliance alone.
- Distinguishes between “establishing” an AML/CFT program (designing the framework) and “maintaining” it (operating it in practice).
- Requires formal risk assessment processes that evaluate products, services, customers, channels, and geographic risks, and incorporate AML/CFT Priorities as appropriate.

- Retains core program pillars such as internal controls, independent testing, a designated U.S.-based compliance officer, ongoing training, and customer due diligence requirements.
- Creates a new consultation framework under which FinCEN would provide input on certain significant supervisory actions involving credit unions' AML/CFT programs.

ACTION NEEDED: Deadlines and contacts

Please use the comment link below to respond to America's Credit Unions' survey. This will help shape the discussion and better address your needs in our comment letters.

- Comments due to America's Credit Unions: May 25, 2026 — [Submit here](#)
- Comments due to NCUA by June 9, 2026
- Questions? Contact [Luke Martone](#), Regulatory Advocacy Senior Counsel
- Agency contact: Gira Bose, Senior Staff Attorney, Office of General Counsel:
gbose@ncua.gov; (703) 518-6540

QUESTIONS TO CONSIDER:

1. Would the proposal's new consultation process between the NCUA and FinCEN improve consistency in AML/CFT supervision and enforcement, or could it create delays or added complexity for credit unions?
2. Does the proposal provide sufficient clarity regarding what would qualify as a "significant AML/CFT supervisory action" or enforcement action that would trigger consultation with FinCEN? Is the proposed definition too broad, including the reference to certain written communications?
3. The proposal offers two options for greater information sharing between regulators and FinCEN, including certain confidential supervisory or enforcement-related information.

Do you have concerns about confidentiality, privilege, or other protections, and should additional safeguards apply?

4. If finalized as proposed, are there any implementation concerns or unintended consequences for credit unions?
5. Any other comments regarding this proposal.

BACKGROUND:

Following the AML Act of 2020, Congress directed FinCEN to modernize AML/CFT program requirements through a more effective, risk-based framework focused on generating useful information for law enforcement. In response, the NCUA, OCC, and FDIC have jointly proposed amendments to their existing rules for supervised entities, including credit unions. The proposal would update the current framework, reinforce core AML/CFT program requirements, and give FinCEN a more formal role in certain supervisory and enforcement matters.

This proposal closely tracks FinCEN's separate AML/CFT program proposal issued the same day. The core program requirements in both proposals are materially the same. The main difference is that this joint regulator proposal focuses more directly on how those shared standards would be applied in supervision and enforcement for credit unions and other regulated entities.

SECTION-BY-SECTION ANALYSIS:

Shared Core Program Requirements

Many of the core provisions in this proposal mirror the separate FinCEN AML/CFT proposal. This includes the requirement to maintain an effective AML/CFT program, the distinction between establishing a program and maintaining it in practice, and the expectation that programs be tailored to a credit union's size, complexity, and risk profile. It also includes formal risk assessment processes and consideration of AML/CFT Priorities, as appropriate.

You may refer to the [Regulatory Comment](#) on the FinCEN AML/CFT program proposal for more detail where the proposed changes are the same.

Core Program Elements

The proposal also largely keeps the existing core AML/CFT program requirements. These include internal controls, independent testing, a designated U.S.-based compliance officer, ongoing training, customer due diligence, and appropriate governance and oversight. For many credit unions, these requirements are generally consistent with current compliance expectations. Again, the Regulatory Comment for the FinCEN proposal includes detail on these proposed requirements.

Supervisory and Enforcement Framework

The most distinct difference in this proposal is not the core AML/CFT program requirements, which largely mirror the separate FinCEN proposal, but the supervisory and enforcement process that would apply those standards. Instead of creating a new set of compliance requirements, this part of the proposal focuses on how significant AML/CFT issues would be handled by the NCUA and the other agencies.

A central feature is a new consultation process requiring the NCUA to consult with FinCEN before taking an AML/CFT enforcement action or a significant AML/CFT supervisory action. In general, the NCUA would need to give FinCEN written notice at least 30 days before taking that action, along with the relevant AML/CFT information supporting it, unless a shorter period is needed to address an unsafe or unsound practice or condition. The proposal also would expand information sharing between regulators and FinCEN in connection with these matters, including supervisory and enforcement-related information that may be confidential. These changes are intended to promote greater consistency across regulators and better align supervisory decisions with FinCEN's role as administrator of the BSA.

The proposal would define "significant AML/CFT supervisory action" broadly to include certain written communications or formal supervisory determinations involving AML/CFT deficiencies,

expectations, or remedial measures, and specifically asks whether that definition is too broad or could create unintended consequences. The proposal also presents two options for permitting greater information sharing with FinCEN and specifically asks whether disclosure of confidential supervisory information could affect privilege or other protections.