

**DATE:** April 19, 2021  
**BULLETIN:** 2021-KDCU-CUB-8  
**TO:** Kansas Chartered Credit Unions  
**SUBJECT:** Anti-Money Laundering Act of 2020, Part I

### ANTI-MONEY LAUNDERING ACT OF 2020, PART I

On January 1, 2021, Congress passed the [National Defense Authorization Act for Fiscal Year 2021 \(NDAA\)](#) and contained within the NDAA is the Anti-Money Laundering Act of 2020 (AMLA). The AMLA contains the most substantial changes to anti-money laundering laws since the USA Patriot Act of 2001. The bill was enacted with bipartisan support.

Due to the importance of the information contained within the AMLA, and there is a considerable amount, it will be covered in a series of bulletins. The AMLA is more than 70 pages of the 1,417 page NDAA (beginning at page 1,187 if you are tempted to read it!). It begins with a **statement of purpose**:

- (1) To improve coordination and information sharing among the agencies tasked with administering anti-money laundering and countering the financing of terrorism requirements, the agencies that examine financial institutions for compliance with those requirements, Federal law enforcement agencies, national security agencies, the intelligence community, and financial institutions;
- (2) To modernize anti-money laundering and countering the financing of terrorism laws to adapt the government and private sector response to new and emerging threats;
- (3) To encourage technological innovation and the adoption of new technology by financial institutions to more effectively counter money laundering and the financing of terrorism;
- (4) To reinforce that the anti-money laundering and countering the financing of terrorism policies, procedures, and controls of financial institutions shall be risk-based;
- (5) To establish uniform beneficial ownership information reporting requirements to –
  - a. Improve transparency for national security, intelligence, and law enforcement agencies and financial institutions concerning corporate structures and insight into the flow of illicit funds through those structures;
  - b. Discourage the use of shell corporations as a tool to disguise and move illicit funds;
  - c. Assist national security, intelligence, and law enforcement agencies with the pursuit of crimes; and
  - d. Protect the national security of the United States; and
- (6) To establish a secure, nonpublic database at FinCEN for beneficial ownership information.

Within 180 days of the AMLA's passage, the Department of Treasury must establish and publish defined policies. Following this publication, FinCEN has an additional 180 days to adopt regulations to ensure compliance.

**NOTE:** In accordance with Governor Laura Kelly's [Executive Orders](#), KDCU Administrator Vickie Hurt continues to review the feasibility of resuming the on-site examination program. This is being done in coordination with the NCUA.