ANB BANK, TYLER HIBBARD

Proposal and Comment Information

Title: Anti-Money Laundering and Countering the Financing of Terrorism Programs, R-1835

Comment ID: FR-0000-0133-02-C28

Submitter Information

Organization Name: ANB Bank

Organization Type: Company

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Please see the attached comment letter from ANB Bank regarding proposed changes to AML/CFT rule regulations.

Tyler Hibbard
BSA Officer

September 3, 2026

Via Electronic Submission

Benjamin W. McDonough, Secretary
Board of Governors of the Federal Reserve System
20th Street and Constitution Avenue NW
Washington, DC 20551

Re: Anti-Money Laundering and Countering the Financing of Terrorism Programs
Docket No. R-1835 RIN 7100-AG78

Secretary McDonough and Members of the Board:

On behalf of ANB Bank (ANB), thank you for the opportunity to comment on the Board of Governors of the Federal Reserve System's proposed rule regarding Anti-Money Laundering and Countering the Financing of Terrorism Programs. ANB generally supports the proposed rule and its intent to modernize AML/CFT program requirements, promote risk-based compliance, and better align supervisory expectations with the core purpose of the Bank Secrecy Act: identifying, reporting, and preventing serious financial crime.

BACKGROUND

ANB is a $3 billion community bank headquartered in Denver, Colorado with 29 locations in Colorado and Wyoming. The bank serves a number of distinct and diverse communities and offers a full array of consumer and commercial products as a traditional community bank.

As a community bank, ANB has a longstanding commitment to the financial security of its customers, including by doing our part to disrupt serious crime happening in our communities. Accordingly, ANB invests significant resources to detect, prevent and report money laundering, fraud and terrorist financing. In support of this, ANB appreciates the longstanding productive relationships we maintain with our regulatory partners at the FRB and state, law enforcement, and our peers. We look forward to stregthening these relationships through the modernization of the BSA.

RESPONSE

ANB broadly supports the proposed rule's direction. The Board's proposal appropriately recognizes that an effective AML/CFT program should be risk-based and should allow banks to allocate attention and resources consistent with their own risk profiles. This is an important and necessary shift. Community banks, like ANB, operate in diverse markets and face risks that vary significantly by customer base, geography, product mix, and local criminal activity. A regulatory framework that recognizes those differences will better enable banks to detect and report meaningful illicit activity.

ANB also supports the proposal's distinction between establishing an AML/CFT program and maintaining that program by implementing it in all material respects. This distinction is important because a properly designed program may still experience isolated execution errors, control exceptions, or emerging risk challenges that do not reflect a fundamental program failure. A clear distinction between program design and program implementation should help ensure supervisory responses are proportionate, risk-based, and focused on meaningful remediation. However, the benefits of this modernization will be limited if Board-supervised banks are subject to supervisory or enforcement expectations that differ materially from those applied by FinCEN or the other federal banking agencies.

ANB strongly urges the Board to continue its stated effort to align AML/CFT requirements across regulators by adopting requirements consistent with FinCEN's proposal and the proposals of the other agencies, including the notice-and-consultation framework applicable to significant AML/CFT supervisory or enforcement actions.

Different sets of rules complicate compliance and draw resources away from the primary goal of preventing financial crime. If a Board-supervised bank may be evaluated under different expectations than similarly situated banks supervised by other agencies, the result will be uncertainty, inconsistent examination outcomes, and compliance burden. ANB believes the final rule should make it clear that the Board will apply the same substantive standards, consultations expectations, and supervisory guardrails as FinCEN and the other federal banking agencies.

To further support clarity in enforcement, ANB recommends that the final rule include or be accompanied by practical examples addressing:

- when a deficiency reflects a failure to establish a program versus a failure to maintain or implement the program – especially when the program was previously considered to have been established;
- what constitutes implementation "in all material respects;"
- when a deficiency is "significant" or "systemic."

ANB further recommends that the Board incorporate into the final rule clear guardrails to prevent examiner second-guessing of reasonable, documented risk assessments and resource allocation decisions. A core purpose of the proposed rule is to permit banks to focus compliance resources on higher-risk customers and activity. That purpose will not be achieved if examiners evaluate programs primarily through technical expectations, hindsight review, or subjective disagreement with a bank's documented risk judgements.

For community banks, this clarity is especially important. ANB has a history of supporting strong AML/CFT compliance and continues to invest significantly in its BSA program, but resource allocation is a practical necessity. Every hour spent on low-value activity is an hour not spent identifying serious crimes affecting our customers and communities. The final rules should make clear that an effective program is not one that identifies every illicit transaction or eliminates every technical deficiency, but one that is reasonably designed, risk-based, appropriately governed, and effective in producing useful information and meaningful mitigation to the bank's illicit-finance risks.

ANB recognizes these comments align in large part with the Board's intent as documented through the preamble of the proposed rule. The Bank urges the Board to ensure that intent is carried over clearly and substantively into the regulation.

CONCLUSION

ANB appreciates the Board's efforts to modernize AML/CFT program requirements and supports the proposal's emphasis on effectiveness, risk-based decision making, and better alignment across federal regulators. To fully achieve those goals, ANB urges the Board to align its final rule with FinCEN and the other federal banking agencies, including by adopting consistent consultation requirements and supervisory guardrails. Consistency is critical to ensure the Board-supervised banks can implement the final rule with confidence and direct their resources toward the core purpose of the BSA: identifying, reporting, and preventing financial crime.

On behalf of ANB, thank you again for the opportunity to provide input on this rulemaking. If you have any questions or would like clarification regarding anything contained in our comments, please don't hesitate to contact me at 719-381-5773 or via email at tyler.hibbard@anbbank.com.

Sincerely,

Tyler Hibbard
First Vice President
BSA Officer