



FEDERAL DEPOSIT INSURANCE CORPORATION WASHINGTON, D.C. 20429

TRAVIS HILL
ACTING CHAIRMAN

February 7, 2025

Andrea Gacki
Director
Financial Crimes Enforcement Network

Dear Ms. Gacki:

I am writing to express my support for updating the Customer Identification Program (CIP) requirements¹ to align with modern financial services practices. I want to thank the Financial Crimes Enforcement Network (FinCEN) and the Department of the Treasury for constructive collaboration on this issue.

As you know, in many instances when onboarding a customer, nonbank financial technology companies (FinTechs) use processes where customers provide the last four digits of the tax identification number (TIN²) to the FinTechs and give permission to obtain the rest of the TIN from a trusted third-party source such as a credit bureau. Many banks have requested the ability to onboard customers in this way. Currently, some believe that the current CIP rule does not permit such an approach.

Our respective staffs have made progress exploring potential changes to the CIP rule to eliminate frictions for customers seeking relationships with banks and FinTechs, and I support those ongoing efforts. I write to express my support for expediting our collective efforts to provide flexibilities for banks to comply with CIP requirements using the last four digits of the TIN. Both the USA PATRIOT Act³ and its implementing regulation permit the Treasury Department and the federal financial regulators to, by regulation or order, exempt any financial institution or type of account from the requirements of the regulation.⁴ Aligning regulatory requirements to

¹ 31 C.F.R. § 1020.220.

² For individuals, this is usually a Social Security Number. See <https://www.irs.gov/tin/taxpayer-identification-numbers-tin>.

³ Section 326 of the USA PATRIOT Act, 31 U.S.C. § 5318(l).

⁴ 31 U.S.C. § 5318(l)(5) and 31 C.F.R. § 1020.220(b).

modern onboarding processes is long overdue. Federal authorities have long allowed banks to onboard credit card customers in this way;⁵ I support extending this approach more broadly.

I appreciate the past collaboration between our agencies on this issue. I look forward to working with our regulatory partners to modernize our approach to reflect private sector innovation in providing customer access to financial services.

Sincerely,

Travis Hill
Acting Chairman
FDIC Board of Directors

cc: Bradley Smith, Acting Under Secretary for Terrorism and Financial Intelligence, U.S.
Department of the Treasury

⁵ See 31 C.F.R. § 1020.220(a)(2)(i)(C).