TAKE IT EASY*

Once again, overreaction by Congress harms AML communication opportunities
* * *

It never ceases to amaze me how often elected officials quickly overreact to an issue without considering the consequences. In fact, many may argue that they never seem to act quickly when necessary.

(Note: While one clear exception may be the USA Patriot Act as a prompt response to 9/11, swift and decisive positive actions seem to be few and far between.)

By now, we have all heard or read about the General Services Administration (GSA) and their foolish and costly conference in Las Vegas. There is no need to rehash what amounts to clear stupidity, but I do question the congressional response.

In the past two weeks, the House and Senate have passed amendments to two separate bills that, if successful, will harm private-public sector AML and financial crime dialogue. Part of the language that has been drafted to restrict government funding says:

"LIMITATION ON THE ANNUAL NUMBER OF CONFERENCES AN AGENCY MAY SUPPORT.

"No Agency may expend funds on more than a single conference sponsored or organized by an organization during any fiscal year, unless the agency is the primary sponsor and organizer of the conference." (This is a proposed amendment to S. 1789.)

Of course, ACAMS, like ABA and many other associations, holds conferences (and our Annual Conference is in Las Vegas) so my perspective may seem self-serving. However, do lawmakers really understand how critical it is for AML professionals to learn about new trends, examination priorities, and global standards from government representatives? Doesn't appear so.

The dialogue during program sessions, and while networking, often leads to improvements in policies and procedures and a better understanding by the government (regulators and law enforcement) on operational and other challenges by financial institutions to compliance and legal obligations.

Of course, these proposed limits will hinder all types of conferences---consumer compliance, cybersecurity, and many others.

* Jackson Browne wrote "Take it Easy" for the Eagles, but perhaps slowing down a reactive legislature so implications can be studied is a much better fit.

WCAML Forum's 20th year--private/public communication at its best

I have written before about the West Coast AML Forum before. As you may know, it is an off-the-record conference

created by bankers and law enforcement (originally by IRS-CI but now assisted by Drug Enforcement Administration, Homeland Security Investigations, and others).

Sadly the GSA scandal seemed to impact some of the government attendees, who canceled at the last minute, but it was still a robust crowd who spent three days engaged in asking tough questions; sharing trends and typologies; and looking ahead to how to investigate, report, and prevent criminal activity from many areas and products. Keeping within the parameters of not publishing any direct comments from the presenters, it is safe to say that the partnership between the financial sector and the government is as solid as ever. No one on either side disputes the commitment of anyone to the shared mission of attacking criminal activity enhanced through the movement of money. We do not always agree on methods, resources, or oversight, but we remain focused on the goal. I can safely say that all attendees left with more contacts to connect with on AML challenges than when they arrived.

It would clearly be a shame if these opportunities to share information were severely limited.

Take it easy

Final thought on WCAML

I noted with extreme sadness last December the passing of WCAML Forum leader, Patricia ("Pat") Wise. Pat was honored in a tribute during the program, and the committee continues her commitment to private-public communication. It is difficult to adequately explain the differences between this event and others like our own. Suffice it to say that Pat's support for a close working relationship in the AML community is being carried on by the WCAML committee and they are some of the nicest people you will ever work with---I won't name them here and embarrass them, but go on the website and take a look. They have branded WCAML Forum's 20th program as "Celebrating 20 Years of Communication" and they do it right.

They don't "Take it Easy," but make it look easy.

- About John Byrne, CAMS
- Byrne is Executive Vice-President of the Association of Certified Anti-Money Laundering Specialists (ACAMS). He has written extensively on AML issues for 25 years and has appeared on television and testified before many congressional committees on AML-related policy issues. Prior to joining ACAMS, John was the Global Regulatory Relations Executive at Bank of America. Previous to that, he worked for the American Bankers Association for years and was responsible for ABA's lobbying, regulatory, and educational efforts on money laundering, a other compliance issues. He received the ABA's Distinguished Services Award and was also the first private sector recipient of the “Director's Medal for Exceptional Service” from the Treasur Department's Financial Crimes Enforcement Network (FinCEN). Byrne can be e-mailed at jbyrne@acams.org.

And don't miss John's updates on Twitter! You can find him at @jbacams2011.>>> Click here to see his wefollow Twitter page

You can get word about these columns the week they are posted by subscribing to ABA Banking Journal Editors Report e-letter. It's free and takes only a minute to sign up for. Click here.