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Subject: [Docket No: 1510-AA93];[FR Doc: 03-21203];[Page 50671-50679]; Financial Management Service: Automated Clearing House; Federal agency participation

The Board of Directors of the Regional Money Services Businesses Association submits the attached comment to

Proposed Amendments to 31 CFR Part 210

Thank you,

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## **Regional Money Services Businesses Association**

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**DATE:** October 17, 2003

**TO:** Stephen M. Vajs  
Director  
Risk Management Division  
Financial Management Service  
US Department of the Treasury  
Room 423  
401 14<sup>th</sup> Street SW  
Washington DC 20227

**FROM:** Board of Directors, Regional Money Services Businesses Association

**SUBJECT:** Comment on Proposed Amendments to 31 CFR Part 210

The Regional Money Services Businesses Association is comprised of money services organizations that are regulated by state and federal agencies. Member companies issue approximately 60 million money orders annually to consumers located around the United States.

We oppose the amendment that would permit government agencies to convert money orders to ACH debit entries for the following reasons:

- The USA Patriot Act places responsibility on issuers/payors and processors, payable through banks, of money orders to inspect for possible patterns of money laundering activity. A primary method for detecting money laundering is accomplished by inspecting endorsements on copy images of paid items. The conversion of money orders to ACH debits denies issuers/payors and processors their obligation to review these payments for money laundering activity.
- To establish that a money order has been altered, e.g., amount raised, forged endorsement, or forged payee it is necessary to view the original money order. Our money order companies incur significant expense embedding security features in the money order documents in order to protect themselves and the consumers that purchase their items. The value of the security features is diminished when replacement documents are produced.

We appreciate the opportunity to comment on the proposed amendments to 31 CFR Part 210.

Roger Raina  
Executive Secretary