



Financial Crimes Enforcement Network

A bureau of the U.S. Department of the Treasury

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FinCEN Proposes Reporting Requirement of International Transport of Prepaid Access Products at U.S. Borders

Proposal to Support Efforts to Identify and Interrupt the Anonymous Transfer of Illicit Funds

VIENNA, Va. – Furthering the U.S. Department of the Treasury’s efforts to address the potential misuse of prepaid access products, the Financial Crimes Enforcement Network (FinCEN) [today proposed](#) adding certain tangible prepaid access devices to the list of monetary instruments to be reported when transported into or out of the United States. FinCEN’s proposal would add devices such as general use prepaid cards, certain gift cards, and potentially cell phones to the list of other monetary instruments that must be aggregated to determine if they exceed more than \$10,000 and included on the [Currency and Monetary Instrument Report \(CMIR\)](#), the form used to report international transport of funds at U.S. borders. The proposal is intended to address certain devices that can be used as a substitute for currency, as they provide access to funds by any bearer of the device. This product attribute, as FinCEN’s cooperation and consultation with law enforcement has indicated, may enable the anonymous transfer or concealed transport of illicit funds across the U.S. border.

Excluded from the proposal are credit cards and debit cards, and codes and personal identification numbers or items like computers or web enabled cell phones, or other devices that are not dedicated to accessing specific prepaid funds.

“The proposal we’re releasing today is a further step in our staged approach, building upon our newly implemented regulations of prepaid access, in a coordinated effort with law enforcement to shine a light on the transfer of money obtained through illicit activity,” said FinCEN Director James H. Freis, Jr. “Reporting tangible prepaid access devices puts another tool at the disposal of law enforcement to interrupt the transfer of monetary value anonymously across international borders when that value was obtained illegally.”

Current regulations require that a CMIR be filed regarding the international transportation, mail, or shipment of currency or other monetary instruments – defined as coin or currency, traveler’s checks, checks, promissory notes, money orders in bearer form, and bearer bonds among others – in an aggregate amount that exceeds \$10,000. FinCEN’s proposal will update U.S. reporting requirements, which have been in place since the 1970s, to reflect the emergence of new payment methods and monetary instruments that could be used to facilitate illicit financial activity.

While FinCEN was already developing regulatory proposals in this area, the Credit Card Accountability Responsibility and Disclosure (CARD) Act of 2009 required the issuance of regulations in final form implementing the BSA, regarding the sale, issuance, redemption, *or international transport* of stored value, including stored value cards. FinCEN defined [prepaid access](#) and included new regulatory requirements in July 2011, expanding beyond the previous framework for certain products known as “stored value.”

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*F*inCEN’s mission is to enhance U.S. national security, deter and detect criminal activity, and safeguard financial systems from abuse by promoting transparency in the U.S. and international financial systems.