



NATIONAL CREDIT UNION ADMINISTRATION
Washington, D.C. 20456

Office of General Counsel

GC/HMU:bhs
SSIC 3247

September 28, 1989

Ms. Amy G. Rudnick
Director, Office of Financial Enforcement
Department of the Treasury
Room 4320
1500 Pennsylvania Avenue, NW
Washington, DC 20220

Re: Proposed Regulations - Bank Secrecy Act
(54 Fed. Reg. 34791, 8/22/89)

Dear Ms. Rudnick:

This is in response to your request for public comments on the proposed rules relating to the Bank Secrecy Act identification requirements to purchase bank checks and drafts, cashier's checks, money orders, and traveler's checks.

The proposed regulation sets forth two sets of identification requirements that sellers of bank checks and similar instruments (financial institutions) must maintain. The first set is for those purchasers who maintain transaction accounts with the financial institution seller, the second more stringent set is for those purchasers who do not maintain transaction accounts at the seller financial institution.

The National Credit Union Administration supervises and insures federally-chartered credit unions (FCU's). Among other things, FCU's are authorized to establish accounts for and sell traveler's checks, money orders, and other similar instruments to their members. Nonmembers are not permitted

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to open accounts at or purchase traveler's checks, money orders, or other instruments from an FCU. Not all FCU's offer transaction accounts. Some only offer regular share (savings type) accounts. We recommend that FCU's only be required to keep the first set of requirements for member purchasers of traveler's checks and similar instruments since FCU's can only sell such instruments to their members; all FCU members have some type of account with the FCU; and some FCU's do not offer transaction accounts.

Sincerely,

Hattie M. Ulan

HATTIE M. ULAN
Assistant General Counsel