Negative: Bank Accounts

By “Coach Vance” Trefethen

***The United States Federal Government should significantly reform its policies regarding convicted prisoners under federal jurisdiction***

Case Summary: The AFF plan modifies oversight of prisoner’s bank accounts. Prisoners are able to deposit their own money into accounts run by the BOP. These accounts are not covered by federal bank security laws (because the BOP is not a “bank” by definition under federal law), so they bypass a lot of the safeguards against money laundering and other verifications that the money is not being used for criminal activity. AFF is worried that prisoners are hiding ill-gotten gains or funding illegal activities with these monies. They may have various mandates to solve it, depending on the specific AFF plan, so listen carefully to what their plan does and only use the evidence in this brief that pertains to what they are doing.

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Negative: Bank Accounts

DEFINITIONS

List of the laws prisoner accounts would have to follow to be like “real” bank accounts

Giovanni Scarcella 2021 (JD candidate, Fordham Univ. Law School) FORDHAM LAW REVIEW, “QUI TAM AND THE BANK SECRECY ACT: A PUBLIC-PRIVATE ENFORCEMENT MODEL TO IMPROVE ANTI-MONEY LAUNDERING EFFORTS” <http://fordhamlawreview.org/wp-content/uploads/2021/12/Scarcella_December.pdf> (accessed 6 Feb 2022) (brackets added)

The primary federal statutes governing AML [Anti-Money Laundering] standards and enforcement are the BSA [Bank Secrecy Act] and the Money Laundering Control Act of 1986 (MLCA). The BSA requires individuals, banks, and other financial institutions to keep records of and report certain transactions for suspected money laundering to aid criminal, tax, and regulatory investigations, as well as counterterrorism efforts.

INHERENCY

1. New monitoring and safeguards recently implemented

Justice Dept. recently established a new oversight policy. 1) Give it time to work! 2) All AFF evidence dated before Aug 2021 is invalidated because it’s about the old policy

Associated Press 2021. “Justice Dept. Bolsters Monitoring of Federal Inmate Accounts” 19 Aug 2021 <https://www.usnews.com/news/politics/articles/2021-08-19/justice-dept-bolsters-monitoring-of-federal-inmate-accounts> (accessed 6 Feb 2022)

The Justice Department is directing the federal prison system to revamp how it monitors government-run prison deposit accounts that have at times been used by inmates to shield themselves from paying debts and for suspicious or illegal activity. The directive, issued this week by Deputy Attorney General Lisa Monaco, instructs the Bureau of Prisons to overhaul its current policies on so-called inmate trust accounts to “strengthen appropriate monitoring and reporting.” The Associated Press obtained a copy of Monaco’s directive and a subsequent Bureau of Prisons memo providing new guidance to wardens. “In administering this program, the Bureau must take appropriate steps to prevent inmates from using such accounts to engage in unlawful activity or to avoid obligations like paying court-ordered restitution to victims,” Monaco wrote. On Thursday, the Bureau of Prisons issued new guidance requiring wardens at the government’s 122 federal prisons to report the amount of money inmates have in their accounts each month and identify inmates with balances over $2,500. The memorandum also directs officials to refer cases to other law enforcement agencies when a crime may have been committed.

2. Prosecutions already underway, even under the old system. The Big Fish get caught

Even before the Aug. 2021 reforms, federal prosecutors were monitoring and prosecuting abuses. Example: Larry Nassar

Associated Press 2021. “Justice Dept. Bolsters Monitoring of Federal Inmate Accounts” 19 Aug 2021 <https://www.usnews.com/news/politics/articles/2021-08-19/justice-dept-bolsters-monitoring-of-federal-inmate-accounts> (accessed 6 Feb 2022)

Earlier this month, federal prosecutors filed court papers that detailed how Larry Nassar — the former USA Gymnastics national team doctor — owed nearly $58,000 to his victims, even though he had more than $12,000 deposited in his prison fund account. The Washington Post first reported that Nassar had paid only about $100 per year, or about $300 since he first entered the federal prison system in 2017.

Example: Lou Pearlman

WASHINGTON POST 2021. “Federal prisoners hold $100 million in government-run accounts, shielded from some criminal scrutiny and debt collection” 9 June 2021 <https://www.washingtonpost.com/national-security/bureau-of-prisons-bank-system/2021/06/08/2aff9766-c3d1-11eb-8c18-fd53a628b992_story.html> (accessed 13 Feb 2021)

One of the more famous criminals to use the prison banking system was Lou Pearlman, the former manager of 1990s boy bands ‘N Sync and the Backstreet Boys. Pearlman was indicted in 2007 for a massive, years-long fraud, and part of his sentence included hundreds of millions of dollars in judgments against him. Yet as a federal inmate, he carried a prisoner account balance of more than $20,000, until the marshals moved to seize that money in 2015, according to court records. Pearlman died the following year.

The biggest fish of all: Megan Bailey. 1) Money in her account was legit (life insurance proceeds). 2) The feds seized it

WASHINGTON POST 2021. “Federal prisoners hold $100 million in government-run accounts, shielded from some criminal scrutiny and debt collection” 9 June 2021 <https://www.washingtonpost.com/national-security/bureau-of-prisons-bank-system/2021/06/08/2aff9766-c3d1-11eb-8c18-fd53a628b992_story.html> (accessed 13 Feb 2021)

Until recently, the biggest known account balance in the system belonged to Megan Bailey, a convicted methamphetamine dealer in Missouri, who was ordered to pay $250,000 as part of a 17-year prison sentence she received in 2019. Late last year, Bailey, whose former lawyer declined to comment, was named a beneficiary of a life insurance policy for a retired air traffic controller — a policy that put $403,753.89 into her prison account. The Marshals Service moved to seize the $250,000 she owed, but she kept about $150,000.

HARMS / SIGNIFICANCE

Responses to Bank Accounts

1. Only 20 prisoners

Only 20 prisoners with large amounts of money and not all of them are misusing it

Associated Press 2021. “Justice Dept. Bolsters Monitoring of Federal Inmate Accounts” 19 Aug 2021 <https://www.usnews.com/news/politics/articles/2021-08-19/justice-dept-bolsters-monitoring-of-federal-inmate-accounts> (accessed 6 Feb 2022) (brackets added)

The [Bureau of Prisons] official said the Bureau of Prisons has identified about 20 inmates — out of the more than 130,000 federal prisoners — who have more than $100,000 in their accounts. But they cautioned there is nothing inherently wrong with an inmate holding large sums of money in their accounts, unless they are involved in illegal activity or are using the account to shield court-ordered debts like child support, alimony or restitution to be paid to victims.

Responses to Money Laundering Harms (if AFF case mentions Money Laundering)

1. No measurable harm

No one can prove any specific serious harms that Anti-Money Laundering efforts are supposed to be solving

[Michael Levi](https://link.springer.com/article/10.1007/s10611-017-9757-4#auth-Michael-Levi), [Peter Reuter](https://link.springer.com/article/10.1007/s10611-017-9757-4#auth-Peter-Reuter) & [Terence Halliday](https://link.springer.com/article/10.1007/s10611-017-9757-4#auth-Terence-Halliday) 2017 (Levi - Cardiff School of Social Sciences, Cardiff University. Reuter - School of Public Policy and Department of Criminology, University of Maryland. Halliday - American Bar Foundation ) Dec 2017 “Can the AML system be evaluated without better data?” [Crime, Law and Social Change](https://link.springer.com/journal/10611) volume 69 <https://link.springer.com/article/10.1007/s10611-017-9757-4> (accessed 20 Nov 2021)

The Anti-Money Laundering regime has been important in harmonizing laws and institutions, and has received global political support. Yet there has been minimal effort at evaluation of how well any AML intervention does in achieving its goals. There are no credible estimates either of the total amount laundered (globally or nationally) nor of most of the specific serious harms that AML aims to avert. Consequently, reduction of these is not a plausible outcome measure.

No one is measuring data on links between serious criminality and money laundering

[Michael Levi](https://link.springer.com/article/10.1007/s10611-017-9757-4#auth-Michael-Levi), [Peter Reuter](https://link.springer.com/article/10.1007/s10611-017-9757-4#auth-Peter-Reuter) & [Terence Halliday](https://link.springer.com/article/10.1007/s10611-017-9757-4#auth-Terence-Halliday) 2017 (Levi - Cardiff School of Social Sciences, Cardiff University. Reuter - School of Public Policy and Department of Criminology, University of Maryland. Halliday - American Bar Foundation ) Dec 2017 “Can the AML system be evaluated without better data?” [Crime, Law and Social Change](https://link.springer.com/journal/10611) volume 69 <https://link.springer.com/article/10.1007/s10611-017-9757-4> (accessed 20 Nov 2021)(brackets added)

However, data and existing crime data collection efforts exemplify the superficiality of the claims that these are truly evaluations. The Methodology document for the fourth round evaluations makes sensible recommendations about both the nature of the data to be used for evaluation and ways in which they might be analyzed. However, the evidence from early 4th Round MERs [Financial Action Task Force Mutual Evaluation Reports] suggests that despite efforts to generate much better FIU [financial intelligence unit] and other process data, neither quantitative nor qualitative data on serious criminality have yet found a well-defined place in the evaluation process.

2. No link to terrorism

Terrorists don’t need much money and not linked to money laundering

Dr. Ibrahim Warde 2006. (PhD in political science from U. Calif.-Berkeley ) The devil’s bankers July 2006 LE MONDE DIPLOMATIQUE <https://mondediplo.com/2006/07/18clearstream> (accessed 21 Nov 2021)

Terrorist financing, by contrast, is a political phenomenon, involving relatively small amounts, and, at least since 9/11, the financing happens outside international banking channels. Terrorist financing is more like money soiling than laundering, since small sums of clean money (not illegally obtained) are used to fund acts of terror ([9](https://mondediplo.com/2006/07/18clearstream#nb9)). None of the post-11 September attacks has cost more than $20,000.

Financing is not the “lifeblood” of terrorism. That’s a myth people believe because it’s been repeated so often, without any actual study supporting it

Dr. William B. Vlcek 2015 (PhD from London School of Economics) Nov 2015 “Securitising money to counter terrorist finance: some unintended consequences for developing economies” INTERNATIONAL STUDIES PERSEPCTIVES Vol 16 https://research-repository.st-andrews.ac.uk/bitstream/handle/10023/8003/Vlcek\_2015\_ISP\_SecuritisingMoney\_AM.pdf;jsessionid=B4245198E54BC3410CD79CF251A468B8?sequence=1



3. A/T “But 9/11 was linked to financing!”

9/11 Commission Report debunked the myth of financing

Dr. Ibrahim Warde 2007 (PhD in political science from U. Calif.-Berkeley) THE PRICE OF FEAR <https://books.google.com/books?id=KEo0UTXJN5oC&pg=PA3&source=gbs_toc_r&cad=4#v=onepage&q&f=false> (accessed 21 Nov 2021)



SOLVENCY

1. Bank regulations fail.

Even with fines and sanctions, bank regulation enforcement fails

Giovanni Scarcella 2021 (JD candidate, Fordham Univ. Law School) FORDHAM LAW REVIEW, “QUI TAM AND THE BANK SECRECY ACT: A PUBLIC-PRIVATE ENFORCEMENT MODEL TO IMPROVE ANTI-MONEY LAUNDERING EFFORTS” <http://fordhamlawreview.org/wp-content/uploads/2021/12/Scarcella_December.pdf> (accessed 6 Feb 2022)

Strong financial incentives for banks to neglect their BSA [Bank Secrecy Act] compliance function compound the difficulties innate to AML [Anti-Money Laundering] detection. While banks are subject to regular examinations and face fines for failing to maintain adequate BSA compliance procedures, and while bank officials can even face imprisonment, the primary federal enforcement agency, FinCEN, faces perennial resource shortages.

Multiple sources of failure in banking regulation enforcement: Personnel limitations and resource shortages

Giovanni Scarcella 2021 (JD candidate, Fordham Univ. Law School) FORDHAM LAW REVIEW, “QUI TAM AND THE BANK SECRECY ACT: A PUBLIC-PRIVATE ENFORCEMENT MODEL TO IMPROVE ANTI-MONEY LAUNDERING EFFORTS” <http://fordhamlawreview.org/wp-content/uploads/2021/12/Scarcella_December.pdf> (accessed 6 Feb 2022)

Effective financial regulation requires accountability and buy-in from all parties: regulators need to act when they identify misconduct, and regulated parties need to establish compliance programs that amount to more than just “window dressing.” Despite an abundance of regulations, the threat of fines or criminal prosecution, and an increasing number of examiners, regulators face barriers to enforcement outside their control, including personnel limitations and resource shortages.

Recent improvements to bank regulations didn’t help much

Giovanni Scarcella 2021 (JD candidate, Fordham Univ. Law School) FORDHAM LAW REVIEW, “QUI TAM AND THE BANK SECRECY ACT: A PUBLIC-PRIVATE ENFORCEMENT MODEL TO IMPROVE ANTI-MONEY LAUNDERING EFFORTS” <http://fordhamlawreview.org/wp-content/uploads/2021/12/Scarcella_December.pdf> (accessed 6 Feb 2022) (brackets added)

Despite the crucial role banks play in AML [Anti-Money Laundering] enforcement, FinCEN—the primary federal agency tasked with sanctioning banks that fail to comply with their BSA obligations—routinely faces staff and resource shortages. In addition, FinCEN and the DOJ have drawn criticism for several high-profile prosecutions that have ended in DPAs [Deferred Prosecution Agreements], and as some argue, less punishment than necessary to effectively enforce the BSA [Bank Secrecy Act]. Banks, for their part, sometimes neglect or undermine their BSA compliance staff. While the revisions under the NDAA [National Defense Authorization Act of 2021] represent a step in the right direction through the increase in FinCEN’s funding, the provision of greater rewards and guidance to the agency’s whistleblower program, increased penalties, and greater insight into beneficial owners, these provisions do not address instances where regulators have declined to bring down the hammer on banks that have violated the BSA.

2. No plan personnel

BOP (or whoever is overseeing the accounts post-plan) would need to establish compliance programs with personnel to staff them (and they’re not in AFF Plan)

Giovanni Scarcella 2021 (JD candidate, Fordham Univ. Law School) FORDHAM LAW REVIEW, “QUI TAM AND THE BANK SECRECY ACT: A PUBLIC-PRIVATE ENFORCEMENT MODEL TO IMPROVE ANTI-MONEY LAUNDERING EFFORTS” <http://fordhamlawreview.org/wp-content/uploads/2021/12/Scarcella_December.pdf> (accessed 6 Feb 2022)

The BSA also directs the president and relevant executive agencies to develop anti-money laundering strategies. Pursuant to this directive, the Treasury issues regulations that detail more particularized BSA compliance program requirements. Such regulations direct banks to, inter alia, establish a BSA compliance program, file Suspicious Activity Reports (SARs) when they detect violations of the BSA in the form of suspicious transactions, and conduct enhanced due diligence programs for high-risk correspondent accounts and private banking accounts.

3. Even when it works, enforcement of bank regulations doesn’t accomplish much

No one can prove that Anti Money Laundering (AML), even if it works, achieves any goals like reducing crime or terrorism

[Michael Levi](https://link.springer.com/article/10.1007/s10611-017-9757-4#auth-Michael-Levi), [Peter Reuter](https://link.springer.com/article/10.1007/s10611-017-9757-4#auth-Peter-Reuter) & [Terence Halliday](https://link.springer.com/article/10.1007/s10611-017-9757-4#auth-Terence-Halliday) 2017 (Levi - Cardiff School of Social Sciences, Cardiff University. Reuter - School of Public Policy and Department of Criminology, University of Maryland. Halliday - American Bar Foundation ) Dec 2017 “Can the AML system be evaluated without better data?” [Crime, Law and Social Change](https://link.springer.com/journal/10611) volume 69 <https://link.springer.com/article/10.1007/s10611-017-9757-4> (accessed 20 Nov 2021)

Evaluation is a touchstone of contemporary policy making; good policy requires systematic and transparent evaluation. AML is just the kind of broad policy intervention that requires evaluation to improve its design and operation, if not to justify its existence. Despite the publication of national Mutual Evaluation Reports (MERs) and, more recently, National Risk Assessments, the fact is that there has been minimal effort at AML evaluation, at least in the sense in which evaluation is generally understood by public policy and social science researchers, namely how well an intervention does in achieving its goals. [**END QUOTE**]Much of the problem lies in the nature of data that are available, what is used and how it is analyzed. Evaluation requires data and nowadays, it is generally quantitative, supplemented by an understanding of how the data are created and how they are processed. For AML, relevant quantitative data on serious crimes for gain is rare, though administrative and criminal justice data on AML processing have improved over time. [**THEY CONTINUE LATER IN THE CONTEXT QUOTE:**] The ideal evaluation would take some measure of the target activity, such as the total amount of money laundered, and estimate how much that has been reduced by the imposition of AML controls. However, as frequently repeated in MERs and other documents,  there are no credible estimates of the total amount laundered, either globally or nationally, as discussed in Section [2](https://link.springer.com/article/10.1007/s10611-017-9757-4#Sec2). Nor are there any clear international or even national measures of most of the harms that AML aims to avert, such as frauds or drugs/human trafficking.

4. Treasury Dept. oversight fails to catch bad guys

Treasury Dept. produces millions of reports on suspicious bank transactions… and then ignores them

Jason Leopold and 10 other journalists in 2020. (others are: Anthony Cormier, John Templon, Tom Warren, Jeremy Singer-Vine, Scott Pham, Richard Holmes, Azeen Ghorayshi, Michael Sallah, Tanya Kozyreva, and Emma Loop) 20 Sept 2020 “THE FINCEN FILES - Thousands of secret suspicious activity reports offer a never-before-seen picture of corruption and complicity — and how the government lets it flourish.” <https://www.buzzfeednews.com/article/jasonleopold/fincen-files-financial-scandal-criminal-networks> (accessed 6 Feb 2022)

Laws that were meant to stop financial crime have instead allowed it to flourish. So long as a bank files a notice that it may be facilitating criminal activity, it all but immunizes itself and its executives from criminal prosecution. The suspicious activity alert effectively gives them a free pass to keep moving the money and collecting the fees. The Financial Crimes Enforcement Network, or FinCEN, is the agency within the Treasury Department charged with combating money laundering, terrorist financing, and other financial crimes. It collects millions of these suspicious activity reports, known as SARs. It makes them available to US [law enforcement agencies](https://www.ice.gov/doclib/news/library/reports/cornerstone/cornerstone2-2.pdf) and other nations’ financial intelligence operations. It even compiles a report called “Kleptocracy Weekly” that summarizes the dealings of foreign leaders such as Russian President Vladimir Putin. What it does not do is force the banks to shut the money laundering down.

Treasury Dept. doesn’t have the staffing to read Suspicious Activity Reports (SAR). So no one reads them and no one acts on them

Jason Leopold and 10 other journalists in 2020. (others are: Anthony Cormier, John Templon, Tom Warren, Jeremy Singer-Vine, Scott Pham, Richard Holmes, Azeen Ghorayshi, Michael Sallah, Tanya Kozyreva, and Emma Loop) 20 Sept 2020 “THE FINCEN FILES - Thousands of secret suspicious activity reports offer a never-before-seen picture of corruption and complicity — and how the government lets it flourish.” <https://www.buzzfeednews.com/article/jasonleopold/fincen-files-financial-scandal-criminal-networks> (accessed 6 Feb 2022)

FinCEN received more than 2 million SARs last year. That number has nearly doubled over the past decade, as financial institutions have faced mounting pressure to file and the volume of international transactions has grown. Over the same period, FinCEN’s staff [has shrunk by more than 10%](https://home.treasury.gov/about/budget-financial-reporting-planning-and-performance/budget-requestannual-performance-plan-and-reports/budget-in-brief). Sources there say most SARs are never even read, let alone acted upon.

5. Treasury Dept. won’t solve for transparency

Treasury Dept. threatened to prosecute journalists asking for information about Suspicious Activity Reports

Jason Leopold and 10 other journalists in 2020. (others are: Anthony Cormier, John Templon, Tom Warren, Jeremy Singer-Vine, Scott Pham, Richard Holmes, Azeen Ghorayshi, Michael Sallah, Tanya Kozyreva, and Emma Loop) 20 Sept 2020 “THE FINCEN FILES - Thousands of secret suspicious activity reports offer a never-before-seen picture of corruption and complicity — and how the government lets it flourish.” <https://www.buzzfeednews.com/article/jasonleopold/fincen-files-financial-scandal-criminal-networks> (accessed 6 Feb 2022)

After the Treasury Department received detailed questions about the FinCEN Files investigation, the agency released a [statement](https://www.fincen.gov/news/news-releases/statement-fincen-regarding-unlawfully-disclosed-suspicious-activity-reports) saying that it was “aware that various media outlets intend to publish a series of articles based on unlawfully disclosed Suspicious Activity Reports (SARs).” It continued, “the unauthorized disclosure of SARs is a crime that can impact the national security of the United States, compromise law enforcement investigations, and threaten the safety and security of the institutions and individuals who file such reports.” The agency announced that it was referring the matter to the Department of Justice and the Treasury Department’s Office of Inspector General.

DISADVANTAGES

1. Compliance costs

Link: AFF requires BOP accounts to be regulated like banks

That means whoever is overseeing these accounts under their plan will have to file all the same activity reports and compliance paperwork as banks do now. But that’s bad because…

Link: Bank regulations are so scary that employees file lots of unnecessary reports. They go to jail if they miss a report!

Ashley L. Fernald 2011 (JD candidate at Nova Southeastern Univ. law school) Nova Law Review, The Effects the Bank Secrecy Act has had on the South Florida Banking Industry and Economy, and How the Newly Proposed IRS Regulation Would Compound Those Effects <https://nsuworks.nova.edu/cgi/viewcontent.cgi?article=1066&context=nlr> (accessed 6 Feb 2022) (brackets added)

The SAR [Suspicious Activity Report] relies heavily on bank employees' judgment. Because of this, extensive training is required for employees to detect suspicious activity. Additionally, banks are concerned that due to the fact that many different government agencies are reviewing SARs, and that they are all reviewing SARs for different reasons, their demands about what information should be included makes filing these reports confusing. Furthermore, because of the threat of civil money penalties and even criminal prosecution, banks may encourage their employees to file a report even if it might not be completely necessary, just to cover themselves so they do not get cited in a review. Moreover, the bank employees themselves are most likely fearful of the possibility of being fined personally and even criminally prosecuted for not complying with reporting requirements. With the worry of personal penalties hanging overhead, bank employees may even waste their time-and therefore the bank's resources-by filing unnecessary reports.

**Link: Massive compliance costs**

Ashley L. Fernald 2011 (JD candidate at Nova Southeastern Univ. law school) Nova Law Review, The Effects the Bank Secrecy Act has had on the South Florida Banking Industry and Economy, and How the Newly Proposed IRS Regulation Would Compound Those Effects <https://nsuworks.nova.edu/cgi/viewcontent.cgi?article=1066&context=nlr> (accessed 6 Feb 2022) (first 2 brackets added; other brackets and ellipses in original)

The reporting requirements have cost the banking industry enormous amounts of money. These reports were "intended to provide information with 'a high degree of usefulness.'" Nevertheless, FinCEN and the Government Accountability Office (GAO) reported that many of the CTRs [Currency Transaction Reports] and SARs [Suspicious Activity Reports] filed have no value to law enforcement, and thirty to forty percent of CTRs filed yearly are only regular, daily transactions by customers who have had long relationships with their banks. In 1975, American banks filed 3418 CTRs." In 1992, 9,200,000 CTRs were filed. In 1990, it was estimated that banks spent $129,000,000 on BSA compliance. "In 2006, financial institutions submitted 15,994,484 CTRs . .'." As many as seventyfive percent of those CTRs filed in 2006 were only related to innocent business transactions. "FinCEN estimate[d] that [a] CTR requires twenty-five minutes ... to fill out and submit ....

**Backup Link: Investigations take significant time and resources**

Giovanni Scarcella 2021 (JD candidate, Fordham Univ. Law School) FORDHAM LAW REVIEW, “QUI TAM AND THE BANK SECRECY ACT: A PUBLIC-PRIVATE ENFORCEMENT MODEL TO IMPROVE ANTI-MONEY LAUNDERING EFFORTS” <http://fordhamlawreview.org/wp-content/uploads/2021/12/Scarcella_December.pdf> (accessed 6 Feb 2022) (brackets added)

Investigating BSA [Bank Secrecy Act] violations takes significant time and resources even when regulators are monitoring attentively; for example, the Treasury’s $1 billion settlement with Standard Chartered resulted from a five-year investigation, even though a deferred prosecution agreement had given regulators increased visibility into its compliance program.

Solvency / Disadvantage Trilemma / Dilemma. Either the Plan doesn’t solve or it triggers a Disadvantage

Either 1) The amount of money in prisoner accounts is so small that this Disad won’t matter… and the harms of the AFF plan are insignificant and not worth debating. 2) The Disad won’t happen because the reports either won’t get filed or won’t get looked at. In which case the plan loses on Solvency, because no one is monitoring the prisoners’ accounts. 3) The monitoring does happen, the reports do get filed, and the government incurs the massive additional costs involved.

If #3 happens, then there’s a new Dilemma. Either 1) The monitoring starts and then stops, because the AFF didn’t provide any funding to pay for all those extra reports. And they lose on Solvency. Or 2) The added costs increase federal spending and lead to higher federal deficits, which brings about the…

Impact: Every increase in the deficit hurts the economy

Dr William Gale and Benjamin Harris 2010. (Gale - PhD in economics, Stanford Univ.; senior fellow at the Brookings Institution and co-director of the Urban-Brookings Tax Policy Center; former assistant professor of Economics at UCLA, and a senior economist for the Council of Economic Advisers under President George H.W. Bush; Harris - master’s degree in economics from Cornell Univ and master’s degree in quantitative methods from Columbia University; senior research associate with the Economics Studies Program at the Brookings Institution) “A VAT for the United States: Part of the Solution” (notes about the date: This article is one of several in the overall publication at this source. The publication date was 2011, but this article was written in 2010) https://www.taxpolicycenter.org/sites/default/files/alfresco/publication-pdfs/1001418-A-Value-Added-Tax-for-the-United-States-Part-of-the-Solution.PDF (accessed 26 Jan 2022)

But even in the absence of a crisis, sustained deficits have deleterious effects, as they translate into lower national savings, higher interest rates, and increased indebtedness to foreign investors, all of which serve to reduce future national income. Gale and Orszag (2004a) estimate that a 1 percent of GDP increase in the deficit will raise interest rates by 25 to 35 basis points and reduce national saving by 0.5 to 0.8 percentage points of GDP.

2. BOP Manpower Diversion

Link: Bank regulations require more manpower for all the paperwork and monitoring. You can’t just fiat that everyone follows the regulations.

EQUIFAX copyright 2018. (credit reporting agency) Streamlined Monitoring Helps Mitigate Regulatory Risk <https://assets.equifax.com/assets/usis/aml_compliance_bank_case_study.pdf> (accessed 6 Feb 2022)

Regardless of how this is performed, the screening and monitoring of new accounts and portfolios poses big challenges to retail banks. It’s a resource-intensive task that requires time, money and manpower.

Link & Brink: Attorney General admits federal prison staffing is “a serious problem”

[KERI BLAKINGER](http://www.themarshallproject.org/staff/keri-blakinger), [JAMILES LARTEY](http://www.themarshallproject.org/staff/jamiles-lartey), [BETH SCHWARTZAPFEL](http://www.themarshallproject.org/staff/beth-schwartzapfel), MIKE SISAK and [CHRISTIE THOMPSON](http://www.themarshallproject.org/staff/christie-thompson) 2021 (staff writers for The Marshall Project, a non-profit research group on criminal justice) “As Corrections Officers Quit in Droves, Prisons Get Even More Dangerous” 1 Nov 2021 <https://www.themarshallproject.org/2021/11/01/as-corrections-officers-quit-in-droves-prisons-get-even-more-dangerous> (accessed 3 Jan 2022)

Asked last week in a U.S. Senate hearing about federal prison staffing, Attorney General Merrick Garland said, “I agree this is a serious problem at the Bureau of Prisons.”

Link: AFF will divert existing BOP employees for their plan. BOP can’t attract and hire new employees due to low pay

 FEDAgent 2021. (News group for federal law enforcement employees) “Lawmakers Request BOP Director Provide Insight on Augmenting Personnel, Staff Shortages” 11 Nov 2021 <https://www.fedagent.com/news/lawmakers-request-bop-director-provide-insight-on-personnel-augmentation-staff-shortages> (accessed 3 Jan 2022)

GAO found that although BOP budgeted for 20,446 full-time correctional officer positions in 2020, the agency reported that it currently employs 13,762 officers. Despite efforts to attract recruits with 25 percent bonuses, there has been little progress. While there are promises of making $62,615 as a recruitment incentive, the starting salary is just under $43,500. The highest end of this salary scale is still much lower than what other federal agencies offer, especially compared with the competition from police departments, state prisons, oil refineries, and warehouses.

Impact: Violence. Exponential increase in prison violence when staffing is cut

Shane Fausey 2020. (president of the American Federation of Government Employees (AFGE) National Council of Prison Locals 33 ) 14 May 2020 “Being a prison officer is now more dangerous than ever” <https://federalnewsnetwork.com/workforce/2020/05/being-a-prison-guard-now-more-dangerous-than-ever/> (accessed 2 Jan 2022)

**Shane Fausey:** We have been plagued with staffing concerns since about 2005. They implemented a program called mission critical, which they took about 20% of the correctional services staff or your officers in your prisons. And consistently over the years, most notably January of 2017, they executed another series of cuts. We’re down probably close to 9000 to 10,000 positions since 2005. Unfortunately, in a prison when you reduce your overall staffing numbers, your violence exponentially increases.

A/T “Treasury Dept. will provide the staffing” – No they won’t. They’re short staffed too.

Matthew Vann 2020. (ABC News) 20 Apr 2020 “Treasury department's workload surges amid critical staffing shortage” <https://abcnews.go.com/Politics/treasury-departments-workload-surges-amid-critical-staffing-shortage/story?id=70122280> (accessed 6 Feb 2022)

As the Treasury Department confronts the worst financial crisis since the 2008 economic downturn, the agency is also in the throes of a staffing shortage, including key leadership positions, as it races to issue millions of checks to Americans [from the](https://abcnews.go.com/Politics/trillion-stimulus-package/story?id=69791823)[coronavirus relief](https://abcnews.go.com/health/coronavirus) package.