



NATIONAL AUTOMOBILE DEALERS ASSOCIATION
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Legal & Regulatory Group

May 29, 2002

Via E-Mail

Financial Crimes Enforcement Network
P.O. Box 39
Vienna, Virginia 22183

Re: Attention: Section 352 AMLP Regulations

Dear Sir/Madam:

The National Automobile Dealers Association ("NADA") submits the following comments on the Financial Crimes Enforcement Network's ("FinCEN's") interim final rule implementing the anti-money laundering program requirement contained in section 352 of the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001 ("USA PATRIOT Act").

NADA represents over 19,000 franchised automobile and truck dealers who sell new and used motor vehicles and engage in service, repair and parts sales. Together our members employ in excess of 1,000,000 people nationwide. A significant portion of our members are small businesses as defined by the Small Business Administration.

We submit these comments to express our support for FinCEN's prudent decision to temporarily exempt from the anti-money laundering program requirement sellers of vehicles and other industries that have not been subject to Treasury regulations that implement the Bank Secrecy Act. The interim final rule appropriately recognizes the need to analyze the nature of these businesses and the money laundering or terrorists risks associated with them before imposing the new requirements. It also recognizes the reality that many of the temporarily-exempted financial institutions are small businesses with limited resources. As FinCEN correctly points out, an informed approach which considers the characteristics of the regulated entities should help to avoid "poorly conceived regulations that impose unreasonable regulatory burdens with little or no corresponding anti-money laundering benefits." 67 Fed. Reg. 21112.

The interim final rule states that, during the next six months, Treasury and FinCEN will review the temporarily-exempted industries and issue additional rules that require the establishment of anti-money laundering programs where appropriate and that delineate minimum standards for the programs. 67 Fed. Reg. 21112. NADA is available to assist Treasury and FinCEN with this review and to help inform our members of any new standards that FinCEN ultimately develops for franchised new automobile and truck dealers.

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We appreciate the opportunity to comment on FinCEN's interim final rule implementing section 352 of the USA PATRIOT Act.

Sincerely,

Paul D. Metrey
Director, Regulatory Affairs