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Anti-money laundering group opens in Dallas

Premium content from Dallas Business Journal - by Jeff Bounds , Staff writer

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A trade group dedicated to fighting money laundering has opened a North Texas chapter, its 14th worldwide.

The Association of Certified Anti-Money Laundering Specialists, or ACAMS, chose the Dallas-Fort Worth area because it is a large money center, which makes it a target of traffickers in narcotics, arms and even humans, said officials of the group, which is made up of private and government interests.

Many members of ACAMS are corporate compliance officers in charge of ensuring that the companies they work for are abiding by various laws and regulations. The ACAMS group helps train compliance officers on the ins and outs of anti-money laundering laws, along with current developments in those laws. It also opens lines of communication between law enforcement and professionals such as lawyers, accountants and auditors.

All told, ACAMS has a staff of about 40 worldwide, and nearly 10,500 members across the globe, according to Senior Vice President **John Byrne**. In addition to U.S. cities like Miami and New York, it has locations in far-flung places like Hong Kong and South America, he said.

Federal officials said a goal of the D-FW chapter is to enlist the private sector in the fight against money laundering.

"You don't want to become ... a willing participant, or one that doesn't know they're being used," said **Damon Rowe**, supervisor special agent in the Dallas field office of the [Internal Revenue Service](#)'s criminal investigations unit.

Legal penalties for failing to comply with anti-money laundering and terrorism-financing laws can be criminal or civil, with civil penalties sometimes in the millions of dollars, said **John Podvin**, of counsel in the Dallas office of [Haynes and Boone](#). Podvin, a board member for the North Texas ACAMS chapter, added that individuals and businesses can face liability for money laundering violations.

"Banks, broker-dealers, insurance companies, money-services businesses, casinos and the jewelry industry — they're all subject to anti-money laundering laws," he said.

There is money laundering anywhere there is a big financial hub with money services businesses and banking, Rowe said.

The D-FW area also faces money laundering risks because it is a crossroads for the transportation of illegal drugs, federal officials said.

"The drugs that flow from the southwest border north into the midwest pass through the (D-FW) metro area," said **Terri Wyatt**, public information officer and special agent for the Dallas field office of the federal Drug Enforcement Administration. "The resulting drug sale proceeds return southward back to Mexico and Latin America either in the form of bulk cash or through the financial system in an electronic form."

The size of the money-laundering problem is hard to quantify, Byrne said. He noted that a U.S. State Department report issued every two years estimates that roughly 5 percent of the gross domestic product gets laundered. He added, however, "Nobody knows for sure."

The federal Office of National Drug Control Policy estimates that Americans spend \$65 billion a year on illegal drugs. Authorities seize \$1 billion a year from such trade.

"With the (drug) cartels generating that much revenue, geographic boundaries are irrelevant. The money needs to return to the organizations supplying the drugs in the most expeditious manner possible," Wyatt said.

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