

Suit on Surveillance of Bank Records

A joint suit with national ACLU is being prepared for filing prior to June 1 against new Treasury Department regulations requiring mandatory microfilm records by banks of all customers' check transactions plus regular reports of unusually large currency transactions. Legal Committee Co-Chairman Henry Ramsey Jr. is preparing this court test for ACLU-NC of the law allowing this "gross invasion of privacy" — The Bank Secrecy Act of 1971, Public Law 19-508.

Executive Director Jay A. Miller describes the regulations as, "The kind of intimidation which creates fear on the part of people that inhibits their freedom of action. Knowing that the government is constantly watching you has a chilling effect, whether it is by unauthorized wiretaps, photographic coverage of public meetings or surveillance of the checks you write."

The basic requirement is that all banks in the U.S. keep photostatic records of nearly all checks made out by customers, exempting only large business firms issuing routine payroll checks.

Banks are also required to report directly to the Treasury Department each withdrawal of \$10,000 or more in

currency by a customer not ordinarily expected to take out that much money, and sums of \$5,000 or more transferred to foreign countries.

Rumors that the Treasury Department was about to implement the Bank Secrecy Act began circulating in March, but were flatly denied. The announcement came April 5.

Even before the regulations made it legal, and in violation of the procedures specified, the San Anselmo branch of the Wells Fargo Bank released a customer's records to the FBI, with no apparent authorization.

The ACLU issued a call for legislation prohibiting this kind of illegal surveillance, with letters to Senators Cranston and Tunney, plus several U.S. Congressmen and the ACLU National Legislative Office in Washington, D.C.

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