



Stronger Together



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July 25, 2005

Financial Crimes Enforcement Network

FinCEN

P.O. Box 39

Vienna, VA 22183-0039

Via E-mail: [regcomments@fincen.treas.gov](mailto:regcomments@fincen.treas.gov)

ATTN: Section 352 – Jewelry Dealer Regulations

Re: RIN 1506-AA58

This letter responds to the request for comments by FinCEN in its June 9, 2005 publication of the Interim Final Rules for Anti-Money Laundering Programs for dealers in precious metals, precious stones, or jewels pursuant to Section 352 of the USA PATRIOT Act of 2001. Founded in 1903, Manufacturing Jewelers and Suppliers of America (MJSA) is a national trade association representing 1,800 members from all facets of the jewelry industry.

MJSA was among the industry associations that signed on to a separate letter responding to your request (copy attached). While we support the comments provided in that letter, we do want to offer additional views regarding one area.

EFFECTS ON SMALL DEALERS

In response to FinCEN's solicitation of comments on the potential impact of the rule on small businesses (including manufacturers, dealers, wholesalers, distributors, and retailers) that may be "dealers" subject to the provisions of the rule:

MJSA and its members are committed to complying with the interim final rule and to fighting terrorism and the financing of terrorist activities through money laundering. MJSA members are prepared to accept responsibility.

MJSA has some concerns about the impact on very small businesses, those designers and artisans who have no employees (or, at most, one or two assistants), but because of the value of the individual work they produce will be required to meet the provisions of the rule. Checking terrorist lists and filing suspicious activity reports will be a burden. In particular, MJSA is concerned about their ability to

comply with the anti-money-laundering program testing requirements within the regulations. In most cases, the owner will be the compliance officer. It is unlikely, if the owner has any other employees, that any of them will be qualified to handle the task. This will result in the need to have some third party to "audit" the business' compliance with the requirements of the rule. This will be a significant burden for those very small businesses.

In conclusion, MJSA and its members are prepared to work with FinCEN to achieve the objectives of the USA Patriot Act and find ways that are less disruptive to the commerce of the industry and the nation.

Sincerely,

A handwritten signature in cursive script that reads "James F. Marquart". The signature is written in dark ink and is positioned above the typed name.

James F. Marquart  
President/CEO, MJSA