



## **CBAI's Concerns About Check Fraud Were Raised in a Publication of the National Association of Anti-Financial Crimes Professionals**

On June 6, 2024, an article was published by the Association of Certified Anti-Money Laundering Specialists (ACAMS) on their [moneylaundering.com](https://www.moneylaundering.com) website. ACAMS is the largest international membership organization for anti-financial crime professionals. The article, titled ***Online Account Creation Enabling Fraud, Small Banks Claim***, highlighted the Community Bankers Association of Illinois' (CBAI) concerns about deposit account check fraud.

"The source [of the fraudulent check problem] is the apparent know-your-customer lapses at the largest institutions that allow fraudulent accounts ... to be opened in the first place," the Community Bankers Association of Illinois (CBAI) told Michael Hsu acting director of the Office of the Comptroller of the Currency (OCC), in a March 28 letter.

The article continued, "They [the largest banks] want to open accounts online incredibly quickly," David Schroeder, head of federal relations at the CBAI, told ACAMS's [moneylaundering.com](https://www.moneylaundering.com). "The result we're seeing now, and have for the last couple of years, is a level of fraud that is really frightening."

CBAI's concerns were echoed by the Independent Community Bankers of America (ICBA). "Community banks are very concerned about accounts opened at larger financial institutions that are being used to facilitate fraudulent activities," Scott Anchin, a vice president at the ICBA, told [moneylaundering.com](https://www.moneylaundering.com) in an email. "Community bankers are relationship bankers, and they know their customers and communities in real and meaningful ways."

CBAI will continue to implore the prudential regulators, in particular the OCC which supervises and examines the largest banks CBAI members say are responsible for enabling much of this fraudulent activity, to address and resolve this pernicious problem in our industry that is harming community banks, their customers and communities, and undermining the integrity of the banking system.

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