

February 28, 2019

To: Members of the U.S. House of Representatives

Re: Opposition to H.R. 85, Fund and Complete the Border Wall Act

On behalf of our member companies, many of which engage in the facilitation of remittance transfers, we write to express our concern with H.R. 85, Fund and Complete the Border Wall Act. This legislation, which would subject remittance transfers from the U.S. to foreign countries to a 5% user fee, is an ill-advised consumer tax on a legal and heavily regulated financial product used by millions of Americans.

As a matter of principle, taxes on consumer financial products and services are bad policy, no matter what the stated goal. The consumer tax in H.R. 85 would increase the cost of remittance transfers, driving consumers out of regulated financial services and forcing these money flows underground.

When consumers utilize banks and other regulated financial institutions for remittance transfers – firms that have robust anti-money laundering programs – it provides law enforcement and financial regulators visibility into potentially illegal activities. Policies that encourage alternative channels reduce transparency and the ability to properly monitor transactions.

For these reasons, we urge opposition to H.R. 85.

Sincerely,

American Bankers Association
Consumer Bankers Association
Electronic Transactions Association
Bank Policy Institute
Independent Community Bankers of America
Money Services Business Association
Money Services Round Table
National Money Transmitters Association