

# 'Casing the joint', real purpose of Bank Secrecy Act

Nevada is keeping a close watch on Washington D.C. these days.

Close watch because of huge implications that lie in the Supreme Court decision concerning Waldemar Ratzlaf, a Portland, Oregon restaurateur, who is appealing his conviction of violating the Bank Secrecy Act of 1970.

The Bank Secrecy Act requires all transactions in excess of \$10,000 to be reported to the federal government. The information is then sent to the Treasury Department where the watchful eyes of the I.R.S. loom.

Ratzlaf's lawyers claim that it is the bank's responsibility to report such transactions not the depositor.

So what was his crime? Ratzlaf paid off \$160,000 in

casino debts (markers) with numerous cashiers checks. Each check was under the \$10,000 needed to file with the government. Ratzlaf paid the debts in small increments because he knew the I.R.S. was planning an audit of his finances. Effectively Ratzlaf tried to beat the system, or at least that's what the Supreme Court will determine.

The Bank Secrecy Act's official purpose is to detect money laundering. A victimless crime, money laundering is a favorite of Washington bureaucrats. It also allows the I.R.S. a chance to case the wallets of honest citizens.

This act is harmful to Nevada since casinos must obey by the same laws as a bank follows concerning transactions over \$10,000.

The financial dealings of high rollers, or anyone for that matter, are private matters. Would you want a report of your dealings in a casino being sent to the federal government? Will the federal government give you a tax break for losing \$10,000 at blackjack?

You can be sure they'll be there when you win \$10,000.

The issue is clear; just read between the lines a little. The Bank Secrecy Act was created not to stop money laundering but to stop tax evasion.

If anything should be illegal

"A victimless crime, money laundering is a favorite of Washington bureaucrats."

Taxation is the use of coercive force to obtain money from individuals. This definition could also apply to armed robbery. What President Clinton

this act, they force others to be accomplices. If employees of a bank or casino don't report transactions over \$10,000, they risk fines and imprisonment.

Meanwhile, Ratzlaf was sentenced to 15 months in prison and \$26,300. And all because he tried to protect his wallet from the sticky fingers of the federal government.



Staff Columnist

James Yohe

Read and think about James Yohe's intriguing column that appears every Thursday in *The Rebel Yell*

## Letters to the Editor

### Kostman's reply to Sapovits

In response to the "perspective" by Jay Sapovits of November 2, 1993, let me begin by congratulating Mr. Sapovits on such an inspiring story.

As far as my decision to suspend the distribution of alcohol at CSUN events, I would like to thank you for reminding me about the duties of my position. However, I'm quite sure that the students that empowered me to do my job did not place beer at the top of their list when it came to "rights" they wanted me to defend.

While my decision was prompted by the brawl of October 23rd, my statement was clear. "...until further notice, the use of alcohol at any and all entertainment and/or programming events officially sponsored by UNLV's Student Government (CSUN) will no longer be funded..." This simply states that pending an investigation, the distribution of beer at tailgates will be suspended-not permanently Mr. Sapovits, but until further notice.

As far as your comments about CSUN accepting responsibility for student drunkenness, that is ridiculous! Perhaps your "perspective" would have more credibility if you interviewed or even spoke with the people who made the decisions-not employees, friends, or acquaintances. But I suppose it's easier to say "Why do you think he did this," than to actually put some effort into going to the source.

You said that I should "vehemently oppose any suggestions that are in conflict with the interest of the students." If you truly see this as an issue that I need to speak "vehemently" against or oppose, it makes me wonder if you in fact read your own story. I made this decision-should I oppose myself? I made this decision prior to any mandates or suggestions put forth by any administrators. This means Mr. Sapovits that we are policing our own. It means that we are responsible enough to make a decision to investigate the matter

at hand before outside intervention.

My main focus this semester has been tuition, writing legislation to amend the Board of Regents Handbook, parking problems, safety issues, text book price gouging, and proper student representation....not beer. It's sad that you see this as an excuse to attack me or Student Government, but you did say at the beginning of the year that you would look for any reason to attack me. Congratulations.

I will however stand by my decision. I will also continue to fight for students rights. Mr. Sapovits, you should concentrate on attacking real issues, not a few cups of beer at a tailgate party. By the way, at the time I suspended beer, there were only two home football games remaining-one on a three day weekend (Halloween) when there would be extremely low attendance because of student travel etc., and the final game of the year which is a scheduled 1:00 p.m. kick off, where traditionally only a few hundred students (if that) show up to watch the game.

What you have done is attract more attention to this matter than called for. If you want to talk about someone making a "rash reaction and betraying the students," you just need to utter the name Sapovits.

Joel S. Kostman  
Student Body President

### Reply to Roxanne Warren

Dear Editor,  
In response to Roxanne Warren's column "Who is responsible for America anyway," she states; "The entertainment industry, just like any other, is out to make the biggest buck possible. They supply what is in demand. To do otherwise would just be bad business." This statement has

its genesis in a branch of philosophy entitled Preference Satisfaction Utilitarianism.

This doctrine assumes that by allowing one group's interests to enjoy precedence over another could possibly infringe on the other group's legitimate interests unjustly. Therefore, to maximize society's collective preferences, and not unjustly infringe on one group's rights, a free-market system theoretically places no value on an action, but rather lets society determine what preferences are to be satisfied.

I say theoretically, for we must decide to what degree we want a certain quality (e.g., clean air) and how much that quality is worth; i.e. how much money from road funds or school funds should be allocated to achieve that degree of quality. Therefore, each element in a free-market system has a value, if it didn't the system would not work.

The danger with this doctrine is in the questions. Aren't there preferences which should not be satisfied, and does man always act in his own long-term best self-interest?

Consider: Black market babies, slavery, cigarettes, D.D.T. and pesticides.

Furthermore she states, "We are the people. We set the standards." However, this leads to the next danger inherent in this doctrine.

Can't one group enjoy greater economic resources, thus enabling their desires to be satisfied regardless if it is not society's best long-term interest?

In conclusion, it is the industry's responsibility to regulate itself, however when they refuse to admit they have produced any harm it is doubtful this will happen. This notion of standing responsible, for the effects you have caused, is not merely my opinion, but it is buttressed by common law (strict product liability

law). Moreover, many other industries have endured government regulations due to their inability to stand morally accountable for the consequences of their product. If indeed the media is an industry, as you stated it is, then it should either regulate itself or accept the ultimate conclusion of government regulation.

Kevin Loudon  
Philosophy Major

### Another Sapovits Letter

Dear Editor,

This truly comes from my heart: Jay Sapovits you are a grade A, class 1, complete BOZO. Didn't your mother ever teach you to think before speaking (or writing as the case may be). Sometimes I choose not to read your column because it is usually uninformed; and if four year olds could read, it would even be insulting to their intelligence, but when I do read it, it reaffirms my faith that there is someone out there willing to play the fool for the entertainment of others.

Well, that's enough for the insults (I need to vent sometimes). I'm writing in response to "The Sap" column of October 28th, *Students Should Manage Alcohol - Not Administrators*.

Jay says, "the main concern of Student Affairs director should be allowing students to manage themselves." I agree (for a change). Unfortunately, the brawl at the Silver Bowl clearly says that under certain conditions students don't manage themselves." I agree (for a change). After the infamous homecoming brawl, administrators have the responsibility to ask themselves, "What are the conditions which students don't control themselves?" They ask themselves this because they are paid to serve the students by protecting the reputation of our institution, and by preserving the public's safety.

My next concern with Jay's article evolves in the question,

"What's wrong with a hand stamp?" The stamp is an effort to comply with the laws that state no one under the age of 21 is allowed to consume alcohol. Everyone over 21 needs to get stamped so that there is no question of who is legal to drink and who is not. (Jay, if you wash with soap you can get the bothersome stamp off with the first rinse.) If Student Government didn't run two lines, one to check ID's and one to serve beer (serve, not sale), then the servers would be forced to hold up the serving line to check I.D.'s and one to serve beer (serve, not sale), then the servers would actually take longer than waiting in two lines because when the servers are checking I.D.'s they aren't pouring beer.

If free beer is ever served at a UNLV function again, one thing to consider would be not only the hand stamp but also giving the beer servers a permanent, felt pen to mark those who take a beer, with a two beer limit.

My last concern comes from the completely insane assumption that fame automatically makes a person 21 and legal to drink. Does this mean that if the kids who are Kriss Kross, or McCauley Caulkin came to a UNLV Student Government tailgate we could legally serve them a beer?

Sincerely,  
Robert J. Williams  
English Major, Senior

Editor's Note: This is a reprint of a letter that ran in Tuesday's edition. It was incomprehensible in its first run due to a layout error. The Rebel Yell regrets any misunderstanding this may have caused and apologizes to Mr. Williams.

The Rebel Yell welcomes letters to the editors. Submissions should be no more than 300 words and may be edited. All letters should include a name, phone number and should be signed.