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OFAC – Does anyone really care?

by Gil Van Over

One of the members of on-line forums I frequent recently raised the question “Does anyone really care about OFAC?” It seems the poster had a potential OFAC hit with one of his customers, called the OFAC hotline and was, in his opinion, brushed off by the government employee on the other end of the line.

As the thread continued, it was apparent that the poster called OFAC on a potential hit that was not an exact name match. The OFAC employee properly quickly dismissed the potential hit so that everyone could go about their business.

But it created the perception, at least in the poster’s mind, that the government doesn’t really care about OFAC, so why should he.

Many of the other forum members quickly chimed in with their opinions. Some offered explanations, others reminded of the consequences, a few vented about becoming deputized in the war on terror.

Here’s my take on OFAC:

- It is a pain in the backside – yet I understand the reason. OFAC is not an obligation on just car dealers or financial services; it is the obligation of every U.S. citizen.
- It is a pain in the backside – yet I would be fearful of the personal consequences. Failing to block a transaction to any person, company or country on the list could lead to personal penalties, fines in the millions and jail time in the decades.
- It is a pain in the backside – yet I shudder at the consequences of not blocking a transaction to someone on the list. The list contains not only terrorists, but the support group for terrorists, such as money launderers and drug dealers. The list contains not only people, but companies and countries.
- It is a pain in the backside – yet the process in a dealership has been extremely simplified. All credit reporting agencies offer an OFAC check, most menu providers have it as part of their menu, and you can find free sources to check the list. It only takes a few seconds to check, and a few minutes to document the false hit.

Like it or not, the freedom we cherish has obligations. I have family members overseas serving their country; I have family members serving as law enforcement officials here. I am proud of both. Any little pain in the backside I have to endure to do my part is nothing compared to their commitment.

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