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1. Would it make the Secret Service's job of protecting US currency easier to deny foreign companies access to US currency technology—much like many of our allies? What can Congress do to better equip the Secret Service in this vital service?

Currently, the US Secret Service is pursuing a policy of disruption for the counterfeit notes being manufactured by the North Korean Government. In order for the Secret Service to try to curtail the production of US currency by the North Koreans, the Service has been meeting with the banknote and security printing industries to inform them of the illicit activities by North Korea and request they voluntarily stop supplying currency related materials to them. In furtherance of this initiative, the Service has solicited the assistance of INTERPOL. After briefing INTERPOL on the unclassified evidence against North Korea, INTERPOL hosted a meeting with the key companies in the banknote industry to provide the Service with a venue to present the information and officially request the voluntary restriction of security printing materials and equipment to North Korea. Subsequent to this meeting, INTERPOL issued an “Orange Notice” regarding North Korea’s involvement in the counterfeiting of US currency and the request of voluntary restriction of security printing materials and equipment. This notice was made available via the INTERPOL website to member law enforcement entities. To date, this notice has not been officially forwarded to the targeted industries, diminishing the effectiveness of the effort. The Service is currently involved in discussions with INTERPOL to strengthen the language of the “Orange Notice” and expand its distribution to include all security printing industries. The broad dissemination of the “Orange Notice” will at least generate new investigative information as to the items that the North Koreans are attempting to acquire, but may also prevent the North Koreans from increasing their capabilities and/or capacity to counterfeit US or other currencies.

Because neither the US Secret Service nor INTERPOL has the ability to restrict commerce, any requests that we make regarding curtailing the sales of banknote materials is strictly voluntary. In order for the Service to pursue an effective disruption campaign, formal restrictions against North Korean acquisition of security printing equipment and supplies is required. Although some companies within the security printing industry have been extremely cooperative in the US efforts to prevent further counterfeiting by North Korea, others have been reluctant partners, while still other companies have refused to discontinue their relationship with North Korea. Official regulations regarding the sale of restricted items of both US and foreign companies are needed to restrict the flow of supplies to the North Korean counterfeiting operation. These regulations would need to prohibit any company from conducting business within the US or with US interests that also brokers, sells or supplies security printing equipment, services, materials, or consumables to North Korea.

In addition to security printing equipment and materials restrictions, the US Secret Service would benefit from the modification of 18 USC 470. The inclusion of conspiracy within this extraterritorial counterfeiting law would greatly enhance the Services ability to prosecute the various levels of individuals involved with the distribution of the “Supernote”.