



U.S. Department  
of Transportation  
**Pipeline and Hazardous  
Materials Safety  
Administration**

1200 New Jersey Ave., S.E.  
Washington, DC 20590

DEC 22 2008

Mr. Alex Torres  
Project Analyst, National Cash Operations  
& Business Continuity  
Federal Reserve System Cash Product Office  
Federal Reserve Bank of San Francisco,  
Los Angeles Branch  
950 S. Grand Avenue  
Los Angeles, CA 90015

Ref. No.: 08-0252

Dear Mr. Torres:

This responds to your letter regarding the applicability of the Hazardous Materials Regulations (HMR; 49 CFR Parts 171-180) to the transportation of “contaminated currency”. Contaminated currency is typically currency exposed to human blood, mildew, and dye pack (pepper spray elements). You ask for written confirmation of your understanding that the transportation of “contaminated currency” is not subject to federal and/or state regulation.

Your understanding is correct. Currency collected from banks that has been contaminated by a variety of substances (e.g., blood, body fluids, sewage, dye pack chemical, etc.) is not regulated as a hazardous material (e.g., infectious substance) under the HMR. The HMR define an “infectious substance” in § 173.134 as a material known to contain or suspected of containing a pathogen that has the potential to cause disease in humans or animals. Based on the information you provided, the soiled currency does not meet the definition of an infectious substance in § 173.134 because there is no reason to know or strongly suspect the currency contains an infectious substance.

Further, a government entity, such as the Federal Reserve Bank, preparing packages of “contaminated currency” meeting the definition of an infectious substance for exclusive transportation by the Federal Reserve Bank for non-commercial purposes, using Federal

Reserve Bank drivers and Federal Reserve Bank controlled vehicles for transport is not subject to the HMR. However, if the purpose is commercial, or if the government agency offers hazardous materials for transportation to commercial carriers, then the HMR apply.

I hope this information is helpful. If we can be of further assistance, please contact us.

Sincerely,

A handwritten signature in black ink, appearing to read "Charles E. Betts". The signature is stylized with a large initial "C" and a prominent "E".

Charles E. Betts  
Chief, Standards Development  
Office of Hazardous Materials Standards

Engrum  
§171.1  
Applicability  
08-0252

**Drakeford, Carolyn <PHMSA>**

**From:** INFOCNTR <PHMSA>  
**Sent:** Monday, September 29, 2008 2:46 PM  
**To:** Drakeford, Carolyn <PHMSA>  
**Subject:** FW: Interpretation Transporting Contaminated Currency

**From:** Alex.Torres@sf.frb.org [mailto:Alex.Torres@sf.frb.org]  
**Sent:** Monday, September 29, 2008 12:22 PM  
**To:** INFOCNTR <PHMSA>  
**Cc:** Simmons, James <FMCSA>  
**Subject:** Interpretation Transporting Contaminated Currency

Mr. Edward T. Mazullo, Executive Director  
 U.S. Department of Transportation  
 Office of Hazardous Materials Standards  
 1200 New Jersey Avenue, SE East Building, 2nd Floor  
 Washington, DC 20590

Re: Interpretation letter regarding transporting contaminated currency.

Dear Mr. Mazullo,

The Federal Reserve Bank, Cash Product office is researching the possibility of consolidating the process in which we currently transport contaminated currency into a regional based approach rather than local branch offices. We want to be in compliance with any federal and/or state regulations regarding the transportation of contaminated currency across state lines.

Contaminated currency is typically currency exposed to human blood, mildew (most common cause), and dye pack (has pepper spray elements). We spoke to a representative from your Hazardous Material Information Center regarding the issue and he stated that based on our definition of contaminated currency it did not meet the category of hazardous materials and thus it is not regulated by the Department of Transportation or any other state regulations.

We would like to request an interpretation letter confirming that the transportation of contaminated currency does not require any federal and/or state regulations. If you need additional information, please do not hesitate to contact me at 213-683-2360.

Sincerely,

Alex D. Torres,

Alex Torres  
 Project Analyst, National Cash Operations & Business Continuity  
 Federal Reserve System Cash Product Office  
 Federal Reserve Bank of San Francisco, Los Angeles Branch  
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9/29/2008