



2024 South Dakota Legislature
Senate Bill 58
ENROLLED

AN ACT

ENTITLED An Act to revise provisions regarding money transmission.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF SOUTH DAKOTA:

Section 1. That chapter 51A-17 be amended with a NEW SECTION:

Terms used in this Act mean:

- (1) "Acting in concert," persons knowingly acting together with a common goal of jointly acquiring control of a licensee whether or not pursuant to an express agreement;
- (2) "Authorized delegate," a person a licensee designates to engage in money transmission on behalf of the licensee;
- (3) "Average daily money transmission liability," the amount of the licensee's outstanding money transmission obligations in this state at the end of each day in a given period of time, added together, and divided by the total number of days in the given period of time. For purposes of calculating average daily money transmission liability under this Act for any licensee required to do so, the given period of time is the quarters ending March thirty-first, June thirtieth, September thirtieth, and December thirty-first;
- (4) "Bank Secrecy Act," the Bank Secrecy Act, 31 U.S.C. § 5311, et seq. and its implementing regulations (January 1, 2024);
- (5) "Closed loop stored value," stored value that is redeemable by the issuer only for goods or services provided by the issuer or its affiliate or franchisees of the issuer or its affiliate, except to the extent required by applicable law to be redeemable in cash for its cash value;
- (6) "Control:"
 - (a) The power to vote, directly or indirectly, at least twenty-five percent of the outstanding voting shares or voting interests of a licensee or person in control of a licensee; the power to elect or appoint a majority of key

- individuals or executive officers, managers, directors, trustees; other persons exercising managerial authority of a person in control of a licensee; or the power to exercise, directly or indirectly, a controlling influence over the management or policies of a licensee or person in control of a licensee;
- (b) A person is presumed to exercise a controlling influence when the person holds the power to vote, directly or indirectly, at least ten percent of the outstanding voting shares or voting interests of a licensee or person in control of a licensee. A person presumed to exercise a controlling influence as defined by this section can rebut the presumption of control if the person is a passive investor;
- (c) For purposes of determining the percentage of a person controlled by any other person, the person's interest shall be aggregated with the interest of any other immediate family member, including the person's spouse, parents, children, siblings, mothers- and fathers-in-law, sons- and daughters-in-law, brothers- and sisters-in-law, and any other person who shares the person's home;
- (7) "Eligible rating," a credit rating of any of the three highest rating categories provided by an eligible rating service, whereby each category may include rating category modifiers, such as "plus" or "minus" for S&P or the equivalent for any other eligible rating service. Long-term credit ratings are deemed eligible if the rating is equal to A- or higher by S&P or the equivalent from any other eligible rating service. Short-term credit ratings are deemed eligible if the rating is equal to or higher than A-2 or SP-2 by S&P or the equivalent from any other eligible rating service. In the event that ratings differ among eligible rating services, the highest rating shall apply when determining whether a security bears an eligible rating;
- (8) "Eligible rating service," any nationally recognized statistical rating organization as defined by the U.S. Securities and Exchange Commission, and any other organization designated by the director by rule or order;
- (9) "Federally insured depository financial institution," a bank, credit union, savings and loan association, trust company, savings association, savings bank, industrial bank, or industrial loan company organized under the laws of the United States or any state of the United States, when the bank, credit union, savings and loan association, trust company, savings association, savings bank, industrial bank, or industrial loan company has federally insured deposits;

- (10) "In this state," at a physical location within this state for a transaction requested in person. For a transaction requested electronically or by phone, the provider of money transmission may determine if the person requesting the transaction is "in this state" by relying on other information provided by the person regarding the location of the individual's residential address or a business entity's principal place of business or other physical address location and any records associated with the person that the provider of money transmission may have that indicate the location, including but not limited to an address associated with an account;
- (11) "Individual," a natural person;
- (12) "Key individual," any individual ultimately responsible for establishing or directing policies and procedures of the licensee, such as an executive officer, manager, director, or trustee;
- (13) "Licensee," a person licensed under this Act;
- (14) "Material litigation," litigation that, according to United States generally accepted accounting principles, is significant to a person's financial health and would be required to be disclosed in the person's annual audited financial statements, report to shareholders, or similar records;
- (15) "Money," a medium of exchange that is authorized or adopted by the United States or a foreign government. The term includes a monetary unit of account established by an intergovernmental organization or by agreement between two or more governments. Money does not include any central bank digital currency;
- (16) "Monetary value," a medium of exchange, whether or not redeemable in money;
- (17) "Money transmission," any of the following:
 - (a) Selling or issuing payment instruments to a person located in this state;
 - (b) Selling or issuing stored value to a person located in this state; or
 - (c) Receiving money for transmission from a person located in this state.The term includes payroll processing services. The term does not include the provision solely of online or telecommunications services or network access;
- (18) "MSB accredited state," a state agency that is accredited by the Conference of State Bank Supervisors and Money Transmitter Regulators Association for money transmission licensing and supervision;
- (19) "Multistate licensing process," any agreement entered into by and among state regulators relating to coordinated processing of applications for money transmission licenses, applications for the acquisition of control of a licensee,

- control determinations, or notice and information requirements for a change of key individuals;
- (20) "NMLS," the Nationwide Multistate Licensing System and Registry developed by the Conference of State Bank Supervisors and the American Association of Residential Mortgage Regulators and owned and operated by the State Regulatory Registry, LLC, or any successor or affiliated entity, for the licensing and registration of persons in financial services industries;
- (21) "Outstanding money transmission obligations," must be established and extinguished in accordance with applicable state law and:
- (a) Any payment instrument or stored value issued or sold by the licensee to a person located in the United States or reported as sold by an authorized delegate of the licensee to a person that is located in the United States that has not yet been paid or refunded by or for the licensee, or escheated in accordance with applicable abandoned property laws; or
 - (b) Any money received for transmission by the licensee or an authorized delegate in the United States from a person located in the United States that has not been received by the payee or refunded to the sender, or escheated in accordance with applicable abandoned property laws;
 - (c) For purposes of this section, "in the United States" shall include, to the extent applicable, a person in any state, territory, or possession of the United States; the District of Columbia; the Commonwealth of Puerto Rico; or a U.S. military installation that is located in a foreign country;
- (22) "Passive investor," a person that:
- (a) Does not have the power to elect a majority of key individuals or executive officers, managers, directors, trustees, or other persons exercising managerial authority of a person in control of a licensee;
 - (b) Is not employed by and does not have any managerial duties of the licensee or person in control of a licensee;
 - (c) Does not have the power to exercise, directly or indirectly, a controlling influence over the management or policies of a licensee or person in control of a licensee; and
 - (d) Either attests to (a), (b), and (c) in a form and in a medium prescribed by the director or commits to the passivity characteristics of (a), (b), and (c) in a written document;

- (23) "Payment instrument," a written or electronic check, draft, money order, traveler's check, or other written or electronic instrument for the transmission or payment of money or monetary value, whether or not negotiable. The term does not include stored value or any instrument that is redeemable by the issuer only for goods or services provided by the issuer or its affiliate or franchisees of the issuer or its affiliate, except to the extent required by applicable law to be redeemable in cash for its cash value, or is not sold to the public but issued and distributed as part of a loyalty, rewards, or promotional program;
- (24) "Payroll processing services," receiving money for transmission pursuant to a contract with a person to deliver wages or salaries, make payment of payroll taxes to state and federal agencies, make payments relating to employee benefit plans, or make distributions of other authorized deductions from wages or salaries. The term payroll processing services does not include an employer performing payroll processing services on its own behalf or on behalf of its affiliate or a professional employment organization subject to regulation under other applicable state law;
- (25) "Person," any individual, general partnership, limited partnership, limited liability company, corporation, trust, association, joint stock corporation, or other corporate entity identified by the director;
- (26) "Receiving money for transmission" or "money received for transmission," receiving money or monetary value in the United States for transmission within or outside the United States by electronic or other means;
- (27) "Stored value," monetary value representing a claim against the issuer evidenced by an electronic or digital record and that is intended and accepted for use as a means of redemption for money or monetary value or payment for goods or services. The term includes, but is not limited to, "prepaid access" as defined by 31 C.F.R. § 1010.100 (January 1, 2024). Notwithstanding the foregoing, the term "stored value" does not include a payment instrument, closed loop stored value, or stored value not sold to the public but issued and distributed as part of a loyalty, rewards, or promotional program; and
- (28) "Tangible net worth," the aggregate assets of a licensee excluding all intangible assets, less liabilities, as determined in accordance with United States generally accepted accounting principles.

Section 2. That chapter 51A-17 be amended with a NEW SECTION:

This Act does not apply to:

- (1) An operator of a payment system to the extent that it provides processing, clearing, or settlement services, between or among persons exempted by this section or licensees, in connection with wire transfers, credit card transactions, debit card transactions, stored-value transactions, automated clearing house transfers, or similar funds transfers;
- (2) A person appointed as an agent of a payee to collect and process a payment from a payor to the payee for goods or services, other than the money transmission itself, provided to the payor by the payee, provided that:
 - (a) There exists a written agreement between the payee and the agent directing the agent to collect and process payments from payors on the payee's behalf;
 - (b) The payee holds the agent out to the public as accepting payments for goods or services on the payee's behalf; and
 - (c) Payment for the goods and services is treated as received by the payee upon receipt by the agent so that the payor's obligation is extinguished and there is no risk of loss to the payor if the agent fails to remit the funds to the payee;
- (3) A person that acts as an intermediary by processing payments between an entity that has directly incurred an outstanding money transmission obligation to a sender, and the sender's designated recipient, provided that the entity:
 - (a) Is properly licensed or exempt from licensing requirements under this Act;
 - (b) Provides a receipt, electronic record, or other written confirmation to the sender identifying the entity as the provider of money transmission in the transaction; and
 - (c) Bears sole responsibility to satisfy the outstanding money transmission obligation to the sender, including the obligation to make the sender whole in connection with any failure to transmit the funds to the sender's designated recipient;
- (4) The United States, a department, agency, or instrumentality thereof, or its agent;
- (5) Money transmission by the United States Postal Service or by an agent of the United States Postal Service;
- (6) A state, county, city, or any other governmental agency or governmental subdivision or instrumentality of a state, or its agent;
- (7) A federally insured depository financial institution, bank holding company, office of an international banking corporation, foreign bank that establishes a federal branch

- pursuant to the International Bank Act, 12 U.S.C. § 3102 (January 1, 2024), corporation organized pursuant to the Bank Service Corporation Act, 12 U.S.C. §§ 1861-1867 (January 1, 2024), or corporation organized under the Edge Act, 12 U.S.C. §§ 611-633 (January 1, 2024);
- (8) Electronic funds transfer of governmental benefits for a federal, state, county, or governmental agency by a contractor on behalf of the United States or a department, agency, or instrumentality thereof, or on behalf of a state or governmental subdivision, agency, or instrumentality thereof;
 - (9) A board of trade designated as a contract market under the federal Commodity Exchange Act, 7 U.S.C. §§ 1-25 (January 1, 2024), or a person that, in the ordinary course of business, provides clearance and settlement services for a board of trade to the extent of its operation as or for the board;
 - (10) A registered futures commission merchant under the federal commodities laws to the extent of its operation as a merchant;
 - (11) A person registered as a securities broker-dealer under federal or state securities laws to the extent of its operation as a broker-dealer;
 - (12) An individual employed by a licensee, authorized delegate, or any person exempted from the licensing requirements of this Act when acting within the scope of employment and under the supervision of the licensee, authorized delegate, or exempted person as an employee and not as an independent contractor;
 - (13) A person expressly appointed as a third-party service provider to or agent of an entity exempt under subdivision (7) of this section, solely to the extent that:
 - (a) The service provider or agent is engaging in money transmission on behalf of and pursuant to a written agreement with the exempt entity that sets forth the specific functions that the service provider or agent is to perform; and
 - (b) The exempt entity assumes all risk of loss and all legal responsibility for satisfying the outstanding money transmission obligations owed to purchasers and holders of the outstanding money transmission obligations upon receipt of the purchaser's or holder's money or monetary value by the service provider or agent;
 - (14) A person exempt by regulation or order if the director finds the exemption to be in the public interest and that the regulation of the person is not necessary for the purposes of this Act;
 - (15) A South Dakota chartered trust company; and

- (16) A person appointed as an agent of a payor for purposes of providing payroll processing services for which the agent would otherwise need to be licensed, provided all of the following apply:
- (a) There is a written agreement between the payor and the agent that directs the agent to provide payroll processing services on the payor's behalf;
 - (b) The payor holds the agent out to employees and other payees as providing payroll processing services on the payor's behalf; and
 - (c) The payor's obligation to a payee, including an employee or any other party entitled to receive funds via the payroll processing services provided by the agent, shall not be extinguished if the agent fails to remit the funds to the payee.

The director may require that any person claiming to be exempt from licensing pursuant to this section provide information and documentation to the director demonstrating that it qualifies for any claimed exemption.

Section 3. That chapter 51A-17 be amended with a NEW SECTION:

- (1) In order to carry out the purposes of this Act, the director may, subject to the provisions of subdivisions (1) and (4) of section 4 of this Act:
- (a) Enter into agreements or relationships with other government officials or federal and state regulatory agencies and regulatory associations in order to improve efficiencies and reduce regulatory burden by standardizing methods or procedures, and sharing resources, records, or related information obtained under this Act;
 - (b) Use, hire, contract, or employ analytical systems, methods, or software to examine or investigate any person subject to this Act;
 - (c) Accept, from other state or federal government agencies or officials, licensing, examination, or investigation reports made by the other state or federal government agencies or officials; and
 - (d) Accept audit reports made by an independent certified public accountant or other qualified third-party auditor for an applicant or licensee and incorporate the audit report in any report of examination or investigation.
- (2) The director has the broad administrative authority to administer, interpret, and enforce this Act and to recover the cost of administering and enforcing this Act by imposing and collecting proportionate and equitable fees and costs associated with

applications, examinations, investigations, and other actions required to achieve the purpose of this Act.

Section 4. That chapter 51A-17 be amended with a NEW SECTION:

- (1) Except as otherwise provided in this section, all information or reports obtained by the director from an applicant, licensee, or authorized delegate and all information contained in or related to an examination, investigation, operating report, or condition report prepared by, on behalf of, or for the use of the director, or financial statements, balance sheets, or authorized delegate information are confidential and are not subject to disclosure under this state's open records law.
- (2) The director may disclose information not otherwise subject to disclosure under this section to representatives of state or federal agencies who promise in a record that they will maintain the confidentiality of the information or where the director finds that the release is reasonably necessary for the protection and interest of the public in accordance with this state's open records law.
- (3) This section does not prohibit the director from disclosing to the public a list of all licensees or the aggregated financial or transactional data concerning those licensees.
- (4) Information contained in the records of the division that is not confidential and may be made available to the public either on the division website, upon receipt by the division of a written request, or in NMLS must include:
 - (a) The name, business address, telephone number, and unique identifier of a licensee;
 - (b) The business address of a licensee's registered agent for service;
 - (c) The name, business address, and telephone number of all authorized delegates;
 - (d) The terms of or a copy of any bond filed by a licensee, provided that confidential information, including, but not limited to, prices and fees for the bond is redacted; and
 - (e) Copies of any non-confidential final orders of the division relating to any violation of this Act or regulations implementing this Act; and
 - (f) Imposition of a non-confidential administrative fine or penalty under this Act.

Section 5. That chapter 51A-17 be amended with a NEW SECTION:

- (1) The director may conduct an examination or investigation of a licensee or authorized delegate or otherwise take independent action authorized by this Act or by a rule adopted or order issued under this Act as reasonably necessary or appropriate to administer and enforce this Act, regulations implementing this chapter, and other applicable law, including the Bank Secrecy Act and other federal and state laws pertaining to money laundering. The director may:
 - (a) Conduct an examination either on-site or off-site as the director may reasonably require;
 - (b) Conduct an examination in conjunction with an examination conducted by representatives of other state agencies or agencies of another state or the federal government;
 - (c) Accept the examination report of another state agency or an agency of another state or the federal government, or a report prepared by an independent accounting firm, which on being accepted is considered for all purposes as an official report of the director; and
 - (d) Summon and examine under oath a key individual or employee of a licensee or authorized delegate and require the person to produce records regarding any matter related to the condition and business of the licensee or authorized delegate.
- (2) A licensee or authorized delegate must provide, and the director must have full and complete access to, all records the director may reasonably require to conduct a complete examination. The records must be provided at the location and in the format specified by the director, provided the director may utilize multistate record production standards and examination procedures when such standards will reasonably achieve the requirements of this section.
- (3) Unless otherwise directed by the director, a licensee must pay all costs reasonably incurred in connection with an examination of the licensee or the licensee's authorized delegates.

Section 6. That chapter 51A-17 be amended with a NEW SECTION:

- (1) To efficiently and effectively administer and enforce this Act and to minimize regulatory burden, the director is authorized and encouraged to participate in multistate supervisory processes established between states and coordinated through the Conference of State Bank Supervisors, Money Transmitter Regulators Association, and affiliates and successors thereof for all licensees that hold licenses

in this state and other states. As a participant in multistate supervision, the director may:

- (a) Cooperate, coordinate, and share information with other state and federal regulators in accordance with section 4 of this Act;
 - (b) Enter into written cooperation, coordination, or information-sharing contracts or agreements with organizations the membership of which is made up of state or federal governmental agencies; and
 - (c) Cooperate, coordinate, and share information with organizations the membership of which is made up of state or federal governmental agencies, provided that the organizations agree in writing to maintain the confidentiality and security of the shared information in accordance with section 4 of this Act.
- (2) The director may not waive, and nothing in this section constitutes a waiver of, the director's authority to conduct an examination or investigation or otherwise take independent action authorized by this Act or a rule adopted or order issued under this Act to enforce compliance with applicable state or federal law.
 - (3) A joint examination or investigation, or acceptance of an examination or investigation report, does not waive an examination assessment provided for in this Act.

Section 7. That chapter 51A-17 be amended with a NEW SECTION:

- (1) In the event state money transmission jurisdiction is conditioned on a federal law, any inconsistencies between a provision of this Act and the federal law governing money transmission shall be governed by the applicable federal law to the extent of the inconsistency.
- (2) In the event of any inconsistencies between this Act and a federal law that governs pursuant to this section, the director may provide interpretive guidance that:
 - (a) Identifies the inconsistency; and
 - (b) Identifies the appropriate means of compliance with federal law.

Section 8. That chapter 51A-17 be amended with a NEW SECTION:

- (1) A person may not engage in the business of money transmission or advertise, solicit, or hold itself out as providing money transmission unless the person is licensed under this Act.
- (2) This section does not apply to:

- (a) A person that is an authorized delegate of a person licensed under this Act acting within the scope of authority conferred by a written contract with the licensee; or
 - (b) A person that is exempt pursuant to section 2 of this Act and does not engage in money transmission outside the scope of such exemption.
- (3) A license issued under sections 13 through 18 of this Act, inclusive, is not transferable or assignable.

Section 9. That chapter 51A-17 be amended with a NEW SECTION:

- (1) To establish consistent licensing between this state and other states, the director is authorized and encouraged to:
 - (a) Implement all licensing provisions of this Act in a manner that is consistent with other states that have adopted this Act or multistate licensing processes; and
 - (b) Participate in nationwide protocols for licensing cooperation and coordination among state regulators provided that such protocols are consistent with this Act.
- (2) In order to fulfill the purposes of this Act, the director is authorized and encouraged to establish relationships or contracts with NMLS or other entities designated by NMLS to enable the director to:
 - (a) Collect and maintain records;
 - (b) Coordinate multistate licensing processes and supervision processes;
 - (c) Process fees; and
 - (d) Facilitate communication between the division and licensees or other persons subject to this Act.
- (3) The director is authorized and encouraged to utilize NMLS for all aspects of licensing in accordance with this Act, including, but not limited to, license applications, applications for acquisitions of control, surety bonds, reporting, criminal history background checks, credit checks, fee processing, and examinations.
- (4) The director is authorized and encouraged to utilize NMLS forms, processes, and functionalities in accordance with this Act. In the event NMLS does not provide functionality, forms, or processes for a provision of this Act, the director is authorized and encouraged to strive to implement the requirements in a manner that facilitates uniformity with respect to licensing, supervision, reporting, and regulation of licensees which are licensed in multiple jurisdictions.

- (5) For the purpose of participating in the Nationwide Multistate Licensing System and Registry, the director is authorized to waive or modify, in whole or in part, by rule, regulation or order, any or all of the requirements and to establish new requirements as reasonably necessary to participate in the Nationwide Multistate Licensing System and Registry.

Section 10. That chapter 51A-17 be amended with a NEW SECTION:

- (1) Applicants for a license must apply in a form and in a medium as prescribed by the director. Each form must contain content as set forth by rule, regulation, instruction, or procedure of the director and may be changed or updated by the director in accordance with applicable law in order to carry out the purposes of this Act and maintain consistency with NMLS licensing standards and practices. The application must state or contain, as applicable:
 - (a) The legal name and residential and business addresses of the applicant and any fictitious or trade name used by the applicant in conducting its business;
 - (b) A list of any criminal convictions of the applicant and any material litigation in which the applicant has been involved in the ten-year period next preceding the submission of the application;
 - (c) A description of any money transmission previously provided by the applicant and the money transmission that the applicant seeks to provide in this state;
 - (d) A list of the applicant's proposed authorized delegates and the locations in this state where the applicant and its authorized delegates propose to engage in money transmission;
 - (e) A list of other states in which the applicant is licensed to engage in money transmission and any license revocations, suspensions, or other disciplinary action taken against the applicant in another state;
 - (f) Information concerning any bankruptcy or receivership proceedings affecting the licensee or a person in control of a licensee;
 - (g) A sample form of contract for authorized delegates, if applicable;
 - (h) A sample form of payment instrument or stored value, as applicable;
 - (i) The name and address of any federally insured depository financial institution through which the applicant plans to conduct money transmission; and

- (j) Any other information the director or NMLS reasonably requires with respect to the applicant.
- (2) If an applicant is a corporation, limited liability company, partnership, or other legal entity, the applicant must also provide:
- (a) The date of the applicant's incorporation or formation and state or country of incorporation or formation;
 - (b) If applicable, a certificate of good standing from the state or country in which the applicant is incorporated or formed;
 - (c) A brief description of the structure or organization of the applicant, including any parents or subsidiaries of the applicant, and whether any parents or subsidiaries are publicly traded;
 - (d) The legal name, any fictitious or trade name, all business and residential addresses, and the employment, as applicable, in the ten-year period next preceding the submission of the application of each key individual and person in control of the applicant;
 - (e) A list of any criminal convictions and material litigation in which a person in control of the applicant that is not an individual has been involved in the ten-year period preceding the submission of the application;
 - (f) A copy of audited financial statements of the applicant for the most recent fiscal year and for the two-year period next preceding the submission of the application or, if determined to be acceptable to the director, certified unaudited financial statements for the most recent fiscal year or other period acceptable to the director;
 - (g) A certified copy of unaudited financial statements of the applicant for the most recent fiscal quarter;
 - (h) If the applicant is a publicly traded corporation, a copy of the most recent report filed with the United States Securities and Exchange Commission under Section 13 of the federal Securities Exchange Act of 1934, 15 U.S.C. § 78m (January 1, 2024);
 - (i) If the applicant is a wholly owned subsidiary of a corporation publicly traded in the United States, a copy of audited financial statements for the parent corporation for the most recent fiscal year or a copy of the parent corporation's most recent report filed under Section 13 of the U.S. Securities Exchange Act of 1934, 15 U.S.C. § 78m (January 1, 2024) or for a corporation publicly traded outside the United States, a copy of similar

documentation filed with the regulator of the parent corporation's domicile outside the United States;

- (j) The name and address of the applicant's registered agent in this state; and
 - (k) Any other information the director reasonably requires with respect to the applicant.
- (3) Each application must be accompanied by a nonrefundable application fee not to exceed five hundred dollars and a license fee not to exceed one thousand dollars. The license fee must be refunded if the application is denied. The director shall establish the application and license fees by rules promulgated pursuant to chapter 1-26.
- (4) The director may waive one or more requirements of this section or permit an applicant to submit other information in lieu of the required information.

Section 11. That chapter 51A-17 be amended with a NEW SECTION:

Any individual in control of a licensee or applicant or any individual that seeks to acquire control of a licensee, or each key individual must furnish to the director through NMLS the following items:

- (1) The individual's fingerprints for submission to the Federal Bureau of Investigation and the director for purposes of a national criminal history background check, unless the person currently resides outside of the United States and has resided outside of the United States for the last ten years; and
- (2) Personal history and experience in a form and in a medium prescribed by the director to obtain the following:
 - (a) An independent credit report from a consumer reporting agency unless the individual does not have a Social Security number, in which case, this requirement shall be waived;
 - (b) Information related to any criminal convictions or pending charges; and
 - (c) Information related to any regulatory or administrative action and any civil litigation involving claims of fraud, misrepresentation, conversion, mismanagement of funds, breach of fiduciary duty, or breach of contract.

Section 12. That chapter 51A-17 be amended with a NEW SECTION:

If any individual in control of a licensee or applicant or any individual that seeks to acquire control of a licensee or each key individual has resided outside of the United States at any time in the last ten years, the individual must also provide an investigative

background report prepared by an independent search firm that meets the following requirements:

- (1) At a minimum, the search firm shall:
 - (a) Demonstrate that the search firm has sufficient knowledge, resources, and employs accepted and reasonable methodologies to conduct the research of the background report; and
 - (b) Not be affiliated with or have an interest with the individual the search firm is researching, and
- (2) At a minimum, the investigative background report must be written in the English language and must contain the following:
 - (a) If available in the individual's current jurisdiction of residency, a comprehensive credit report or any equivalent information obtained or generated by the independent search firm to accomplish the report, including a search of the court data in the countries, provinces, states, cities, towns, and contiguous areas where the individual resided and worked;
 - (b) Criminal records information for the past ten years, including, but not limited to, felonies, misdemeanors, or similar convictions for violations of law in the countries, provinces, states, cities, towns, and contiguous areas where the individual resided and worked;
 - (c) Employment history;
 - (d) Media history, including an electronic search of national and local publications, wire services, and business applications; and
 - (e) Financial services-related regulatory history, including but not limited to, money transmission, securities, banking, insurance, and mortgage-related industries.

Section 13. That chapter 51A-17 be amended with a NEW SECTION:

When an application for an original license under this Act appears to include all the items and addresses all of the matters that are required, the application is complete, and the director must promptly notify the applicant in a record of the date on which the application is determined to be complete.

- (1) The director must approve or deny the application within one hundred twenty days after the completion date; or

- (2) If the application is not approved or denied within one hundred twenty days after the completion date:
 - (a) The application is approved; and
 - (b) The license takes effect as of the first business day after expiration of the one hundred twenty-day period.
 - (c) The director may for good cause extend the application period.

Section 14. That chapter 51A-17 be amended with a NEW SECTION:

A determination by the director that an application is complete and is accepted for processing means only that the application, on its face, appears to include all of the items, including the criminal background check response from the FBI, addresses all of the matters that are required, and is not an assessment of the substance of the application or of the sufficiency of the information provided.

Section 15. That chapter 51A-17 be amended with a NEW SECTION:

When an application is filed and considered complete under sections 13 and 14 of this Act, the director must investigate the applicant's financial condition and responsibility, financial and business experience, character, and general fitness. The director may conduct an on-site investigation of the applicant, the reasonable cost of which the applicant must pay. The director must issue a license to an applicant under sections 13 to 18, inclusive, of this Act, if the director finds that all of the following conditions have been fulfilled:

- (1) The applicant has complied with sections 10 to 12, inclusive, of this Act; and
- (2) The financial condition and responsibility, financial and business experience, competence, character, and general fitness of the applicant; and the competence, experience, character, and general fitness of the key individuals and persons in control of the applicant indicate that it is in the interest of the public to permit the applicant to engage in money transmission.

Section 16. That chapter 51A-17 be amended with a NEW SECTION:

If an applicant avails itself or is otherwise subject to a multistate licensing process:

- (1) The director is authorized and encouraged to accept the investigation results of a lead investigative state for the purpose of section 15 of this Act if the lead investigative state has sufficient staffing, expertise, and minimum standards; or

- (2) If the division is a lead investigative state, the director is authorized and encouraged to investigate the applicant pursuant to section 15 of this Act and the timeframes established by agreement through the multistate licensing process, provided, however, that in no case shall such a timeframe be noncompliant with the application period in section 13 of this Act.

Section 17. That chapter 51A-17 be amended with a NEW SECTION:

The director shall issue a formal written notice of the denial of a license application within thirty days of the decision to deny the application. The director shall set forth in the notice of denial the specific reasons for the denial of the application. An applicant whose application is denied by the director under this section may appeal within thirty days after receipt of the written notice of the denial pursuant to chapter 1-26.

Section 18. That chapter 51A-17 be amended with a NEW SECTION:

The initial license term begins on the day the application is approved. The license shall expire on December thirty-first of the year in which the license term began, unless the initial license date is between November first and December thirty-first, in which instance the initial license term runs through December thirty-first of the following year.

Section 19. That chapter 51A-17 be amended with a NEW SECTION:

- (1) A license under this Act shall be renewed annually.
 - (a) The director shall establish an annual renewal fee, not to exceed one thousand dollars, by rule promulgated pursuant to chapter 1-26.
 - (b) The annual renewal fee must be paid no more than sixty days before the license expiration.
 - (c) The renewal term shall be for a period of one year and shall begin on January first of each year after the initial license term and shall expire on December thirty-first of the year the renewal term begins.
- (2) A licensee shall submit a renewal report with the renewal fee in a form and in a medium prescribed by the director. The renewal report must state or contain a description of each material change in information submitted by the licensee in its original license application which has not been reported to the director.
- (3) The director for good cause may grant an extension of the renewal date.

- (4) The director is authorized and encouraged to utilize NMLS to process license renewals provided that such functionality is consistent with this section.

Section 20. That chapter 51A-17 be amended with a NEW SECTION:

Maintenance of License.

- (1) If a licensee does not continue to meet the qualifications or satisfy the requirements that apply to an applicant for a new money transmission license, the director may suspend or revoke the licensee's license in accordance with the procedures established by this Act or other applicable state law for the suspension or revocation.
- (2) An applicant for a money transmission license must demonstrate that it meets or will meet, and a money transmission licensee must at all times meet, the requirements in sections 48 to 50, inclusive, of this Act.

Section 21. That chapter 51A-17 be amended with a NEW SECTION:

- (1) Any person, or group of persons acting in concert, seeking to acquire control of a licensee must obtain the written approval of the director prior to acquiring control. An individual is not deemed to acquire control of a licensee and is not subject to these acquisition of control provisions when that individual becomes a key individual in the ordinary course of business.
- (2) A person, or group of persons acting in concert, seeking to acquire control of a licensee must, in cooperation with the licensee:
 - (a) Submit an application in a form and in a medium prescribed by the director; and
 - (b) Submit a nonrefundable fee not to exceed one thousand dollars. The director shall establish the fee by rule promulgated pursuant to chapter 1-26.
- (3) Upon request, the director may permit a licensee or the person, or group of persons acting in concert, to submit some or all information required by the director pursuant to this section without using NMLS.
- (4) The application required by this section shall include information required by sections 11 and 12 of this Act for any new key individuals that have not previously completed the requirements of sections 11 and 12 of this Act for a licensee.

Section 22. That chapter 51A-17 be amended with a NEW SECTION:

When an application for acquisition of control under section 21 of this Act appears to include all the items and address all of the matters that are required, the application shall be considered complete and the director shall promptly notify the applicant in a record of the date on which the application was determined to be complete and:

- (1) The director shall approve or deny the application within sixty days after the completion date; or
- (2) If the application is not approved or denied within sixty days after the completion date:
 - (a) The application is approved; and
 - (b) The person, or group of persons acting in concert, are not prohibited from acquiring control.
- (3) The director may for good cause extend the application period.

Section 23. That chapter 51A-17 be amended with a NEW SECTION:

A determination by the director that an application for acquisition of control under section 21 of this Act is complete and is accepted for processing means only that the application, on its face, appears to include all of the items and address all of the matters that are required, and is not an assessment of the substance of the application or of the sufficiency of the information provided.

Section 24. That chapter 51A-17 be amended with a NEW SECTION:

When an application for acquisition of control under section 21 of this Act is filed and considered complete under section 22 of this Act, the director must investigate the financial condition and responsibility, financial and business experience, character, and general fitness of the person, or group of persons acting in concert, seeking to acquire control. The director shall approve an acquisition of control pursuant to this section 21 of this Act if the director finds that all of the following conditions have been fulfilled:

- (1) The requirements of subdivisions (2) and (4) of section 21 of this Act have been met, as applicable; and
- (2) The financial condition and responsibility, financial and business experience, competence, character, and general fitness of the person, or group of persons acting in concert, seeking to acquire control; and the competence, experience, character, and general fitness of the key individuals and persons that would be in control of the licensee after the acquisition of control indicate that it is in the

interest of the public to permit the person, or group of persons acting in concert, to control the licensee.

Section 25. That chapter 51A-17 be amended with a NEW SECTION:

If an applicant for acquisition of control under this section 21 of this Act avails itself or is otherwise subject to a multistate licensing process:

- (1) The director is authorized and encouraged to accept the investigation results of a lead investigative state for the purpose of section 22 of this Act if the lead investigative state has sufficient staffing, expertise, and minimum standards; or
- (2) If this state is a lead investigative state, the director is authorized and encouraged to investigate the applicant pursuant to section 22 of this Act and the timeframes established by agreement through the multistate licensing process.

Section 26. That chapter 51A-17 be amended with a NEW SECTION:

The director shall issue a formal written notice of the denial of an application to acquire control within thirty days of the decision to deny the application. The director must set forth in the notice of denial the specific reasons for the denial of the application. An applicant whose application is denied by the director under this section may appeal within thirty days after receipt of the written notice of the denial pursuant to chapter 1-26.

Section 27. That chapter 51A-17 be amended with a NEW SECTION:

The requirements of subdivisions (1) and (2) of section 21 of this Act do not apply to any of the following:

- (1) A person that acts as a proxy for the sole purpose of voting at a designated meeting of the shareholders or holders of voting shares or voting interests of a licensee or a person in control of a licensee;
- (2) A person that acquires control of a licensee by devise or descent;
- (3) A person that acquires control of a licensee as a personal representative, custodian, guardian, conservator, or trustee, or as an officer appointed by a court of competent jurisdiction or by operation of law;
- (4) A person that is exempt under subdivision (7) of section 2 of this Act;
- (5) A person that the director determines is not subject to subdivision (1) of section 21 of this Act based on the public interest;
- (6) A public offering of securities of a licensee or a person in control of a licensee; or

- (7) An internal reorganization of a person in control of the licensee where the ultimate person in control of the licensee remains the same.

Section 28. That chapter 51A-17 be amended with a NEW SECTION:

Persons in section 27 of this Act in cooperation with the licensee shall notify the director within fifteen days after the acquisition of control.

Section 29. That chapter 51A-17 be amended with a NEW SECTION:

- (1) The requirements in subdivisions (1) and (2) of section 21 of this Act do not apply to a person that has complied with and received approval to engage in money transmission under this Act or was identified as a person in control in a prior application filed with and approved by the director or by an MSB accredited state pursuant to a multistate licensing process, provided that:
 - (a) The person has not had a license revoked or suspended or controlled a licensee that has had a license revoked or suspended while the person was in control of the licensee in the previous five years;
 - (b) If the person is a licensee, the person is well managed and has received at least a satisfactory rating for compliance at its most recent examination by an MSB accredited state if such rating was given;
 - (c) The licensee to be acquired is projected to meet the requirements of sections 48 to 50, inclusive, of this Act after the acquisition of control is completed, and if the person acquiring control is a licensee, that licensee is also projected to meet the requirements of sections 49 to 51, inclusive, of this Act after the acquisition of control is completed;
 - (d) The licensee to be acquired will not implement any material changes to its business plan as a result of the acquisition of control, and if the person acquiring control is a licensee, that licensee also will not implement any material changes to its business plan as a result of the acquisition of control; and
 - (e) The person provides notice of the acquisition in cooperation with the licensee and attests to subsections (a) through (d) in this section in a form and in a medium prescribed by the director.
- (2) If the notice is not disapproved within thirty days after the date on which the notice was determined to be complete, the notice is deemed approved.

Section 30. That chapter 51A-17 be amended with a NEW SECTION:

Before filing an application for approval to acquire control of a licensee a person may request in writing a determination from the director as to whether the person would be considered a person in control of a licensee upon consummation of a proposed transaction. If the director determines that the person would not be a person in control of a licensee, the proposed person and transaction is not subject to the requirements of subdivisions (1) and (2) of section 21 of this Act.

Section 31. That chapter 51A-17 be amended with a NEW SECTION:

If a multistate licensing process includes a determination pursuant to section 30 of this Act and an applicant avails itself or is otherwise subject to the multistate licensing process:

- (1) The director is authorized and encouraged to accept the control determination of a lead investigative state with sufficient staffing, expertise, and minimum standards for the purpose of section 30 of this Act; or
- (2) If this state is a lead investigative state, the director is authorized and encouraged to investigate the applicant pursuant to section 30 of this Act and the timeframes established by agreement through the multistate licensing process.

Section 32. That chapter 51A-17 be amended with a NEW SECTION:

- (1) A licensee adding or replacing any key individual must:
 - (a) Provide notice in a manner prescribed by the director within fifteen days after the effective date of the key individual's appointment; and
 - (b) Provide information as required by sections 11 and 12 of this Act within forty-five days of the effective date.
- (2) Within ninety days of the date on which the notice provided pursuant to this section was determined to be complete, the director may issue a notice of disapproval of a key individual if the competence, experience, character, or integrity of the individual would not be in the best interests of the public or the customers of the licensee to permit the individual to be a key individual of such licensee.
- (3) A notice of disapproval must contain a statement of the basis for disapproval and shall be sent to the licensee and the disapproved individual. A licensee may appeal a notice of disapproval pursuant chapter 1-26 within thirty days of receipt of such notice of disapproval.

- (4) If the notice provided pursuant to this section is not disapproved within ninety days after the date on which the notice was determined to be complete, the key individual is deemed approved.
- (5) If a multistate licensing process includes a key individual notice review and disapproval process pursuant to this section and the licensee avails itself or is otherwise subject to the multistate licensing process:
 - (a) The director is authorized and encouraged to accept the determination of another state if the investigating state has sufficient staffing, expertise, and minimum standards for the purpose of this section; or
 - (b) If this state is a lead investigative state, the director is authorized and encouraged to investigate the applicant pursuant to this section and the timeframes established by agreement through the multistate licensing process.

Section 33. That chapter 51A-17 be amended with a NEW SECTION:

- (1) Each licensee must submit a report of condition within forty-five days of the end of the calendar quarter, or within any extended time as the director may prescribe.
- (2) The report of condition must include:
 - (a) Financial information at the licensee level;
 - (b) Nationwide and state-specific money transmission transaction information in every jurisdiction in the United States where the licensee is licensed to engage in money transmission;
 - (c) Permissible investments report;
 - (d) Transaction destination country reporting for money received for transmission, if applicable; and
 - (e) Any other information the director reasonably requires with respect to the licensee. The director is authorized and encouraged to utilize NMLS for the submission of the report required by subdivision (1) of this section and is authorized to change or update as necessary the requirements of this section to carry out the purposes of this Act and maintain consistency with NMLS reporting.
- (3) The information required by subsection 2(d) of this section shall only be included in a report of condition submitted within forty-five days of the end of the fourth calendar quarter.

Section 34. That chapter 51A-17 be amended with a NEW SECTION:

- (1) Each licensee shall, within ninety days after the end of each fiscal year, or within any extended time as the director may prescribe, file with the director:
 - (a) An audited financial statement of the licensee for the fiscal year prepared in accordance with United States generally accepted accounting principles; and
 - (b) Any other information as the director may reasonably require.
- (2) The audited financial statements shall be prepared by an independent certified public accountant or independent public accountant who is satisfactory to the director.
- (3) The audited financial statements shall include or be accompanied by a certificate of opinion of the independent certified public accountant or independent public accountant that is satisfactory in form and content to the director. If the certificate of opinion is qualified, the director may order the licensee to take any action as the director may find necessary to enable the independent or certified public accountant or independent public accountant to remove the qualification.

Section 35. That chapter 51A-17 be amended with a NEW SECTION:

- (1) Each licensee must submit a report of authorized delegates within forty-five days of the end of the calendar quarter. The director is authorized and encouraged to utilize NMLS for the submission of the report required by this section provided that such functionality is consistent with the requirements of this section.
- (2) The authorized delegate report must include, at a minimum, each authorized delegate's:
 - (a) Company legal name;
 - (b) Taxpayer employer identification number;
 - (c) Principal provider identifier;
 - (d) Physical address;
 - (e) Mailing address;
 - (f) Any business conducted in other states;
 - (g) Any fictitious or trade name;
 - (h) Contact person name, phone number, and email;
 - (i) Start date as licensee's authorized delegate;
 - (j) End date acting as licensee's authorized delegate, if applicable;

- (k) Court orders pursuant to section 41 of this Act; and
- (l) Any other information the director reasonably requires with respect to the authorized delegate.

Section 36. That chapter 51A-17 be amended with a NEW SECTION:

- (1) A licensee must file a report with the director within one business day after the licensee has reason to know of the occurrence of any of the following events:
 - (a) The filing of a petition by or against the licensee under the United States Bankruptcy Code, 11 U.S.C. § 101-110 (January 1, 2024) for bankruptcy or reorganization;
 - (b) The filing of a petition by or against the licensee for receivership, the commencement of any other judicial or administrative proceeding for its dissolution or reorganization, or the making of a general assignment for the benefit of its creditors; or
 - (c) The commencement of a proceeding to revoke or suspend its license in a state or country in which the licensee engages in business or is licensed.
- (2) A licensee must file a report with the director within three business day after the licensee has reason to know of the occurrence of any of the following events:
 - (a) A charge or conviction of the licensee or of a key individual or person in control of the licensee for a felony; or
 - (b) A charge or conviction of an authorized delegate for a felony.

Section 37. That chapter 51A-17 be amended with a NEW SECTION:

A licensee and its authorized delegates must file all reports required by federal currency reporting, record keeping, and suspicious activity reporting requirements as set forth in the Bank Secrecy Act and other federal and state laws pertaining to money laundering. The timely filing of a complete and accurate report required under this section with the appropriate federal agency is deemed compliant with the requirements of this section.

Section 38. That chapter 51A-17 be amended with a NEW SECTION:

- (1) Licensee shall maintain the following records, for determining its compliance with this Act for at least three years:
 - (a) A record of each outstanding money transmission obligation sold;

- (b) A general ledger posted at least monthly containing all asset, liability, capital, income, and expense accounts;
 - (c) Bank statements and bank reconciliation records;
 - (d) Records of outstanding money transmission obligations;
 - (e) Records of each outstanding money transmission obligation paid within the three-year period;
 - (f) A list of the last known names and addresses of all of the licensee's authorized delegates; and
 - (g) Any other records the director reasonably requires by rule.
- (2) The items specified in subdivision (1) of this section may be maintained in any form of record.
 - (3) Records specified in subdivision (1) of this section may be maintained outside this state if the records are made accessible to the director on seven business-days' notice that is sent in a record.
 - (4) All records maintained by the licensee as required in this section are open to inspection by the director pursuant to subdivision (1) of section 5 of this Act.

Section 39. That chapter 51A-17 be amended with a NEW SECTION:

- (1) In this section, "remit" means to make direct payments of money to a licensee or its representative authorized to receive money or to deposit money in a bank in an account specified by the licensee.
- (2) Before a licensee is authorized to conduct business through an authorized delegate or allows a person to act as the licensee's authorized delegate, the licensee must:
 - (a) Adopt, and update as necessary, written policies and procedures reasonably designed to ensure that the licensee's authorized delegates comply with applicable state and federal law;
 - (b) Enter into a written contract that complies with subdivision (4) of this section; and
 - (c) Conduct a reasonable risk-based background investigation sufficient for the licensee to determine whether the authorized delegate has complied and will likely comply with applicable state and federal law.
- (3) An authorized delegate must operate in full compliance with this Act.
- (4) The written contract required by subdivision (2) of this section must be signed by the licensee and the authorized delegate and, at a minimum, must:

- (a) Appoint the person signing the contract as the licensee's authorized delegate with the authority to conduct money transmission on behalf of the licensee;
 - (b) Set forth the nature and scope of the relationship between the licensee and the authorized delegate and the respective rights and responsibilities of the parties;
 - (c) Require the authorized delegate to agree to fully comply with all applicable state and federal laws, rules, and regulations pertaining to money transmission, including this Act and regulations implementing this Act, relevant provisions of the Bank Secrecy Act and the other federal and state laws pertaining to money laundering;
 - (d) Require the authorized delegate to remit and handle money and monetary value in accordance with the terms of the contract between the licensee and the authorized delegate;
 - (e) Impose a trust on money and monetary value net of fees received for money transmission for the benefit of the licensee;
 - (f) Require the authorized delegate to prepare and maintain records as required by this Act or regulations implementing this Act, or as reasonably requested by the director;
 - (g) Acknowledge that the authorized delegate consents to examination or investigation by the director;
 - (h) State that the licensee is subject to regulation by the director and that, as part of that regulation, the director may suspend or revoke an authorized delegate designation or require the licensee to terminate an authorized delegate designation; and
 - (i) Acknowledge receipt of the written policies and procedures required under subsection 2(a) of this section.
- (5) If the licensee's license is suspended, revoked, surrendered, or expired, the licensee must, within five business days, provide documentation to the director that the licensee has notified all applicable authorized delegates of the licensee whose names are in a record filed with the director of the suspension, revocation, surrender, or expiration of a license. Upon suspension, revocation, surrender, or expiration of a license, applicable authorized delegates shall immediately cease to provide money transmission as an authorized delegate of the licensee.

- (6) An authorized delegate of a licensee holds in trust for the benefit of the licensee all money net of fees received from money transmission. If any authorized delegate commingles any funds received from money transmission with any other funds or property owned or controlled by the authorized delegate, all commingled funds and other property shall be considered held in trust in favor of the licensee in an amount equal to the amount of money net of fees received from money transmission.
- (7) An authorized delegate may not use a subdelegate to conduct money transmission on behalf of a licensee.

Section 40. That chapter 51A-17 be amended with a NEW SECTION:

A person shall not engage in the business of money transmission on behalf of a person not licensed under this Act or not exempt pursuant to section 2 of this Act. A person that engages in such activity, provides money transmission to the same extent as if the person were a licensee, shall be jointly and severally liable with the unlicensed or nonexempt person.

Section 41. That chapter 51A-17 be amended with a NEW SECTION:

- (1) The circuit court in an action brought by a licensee shall have jurisdiction to grant appropriate equitable or legal relief, including without limitation prohibiting the authorized delegate from directly or indirectly acting as an authorized delegate for any licensee in this state and the payment of restitution, damages, or other monetary relief if the circuit court finds that an authorized delegate failed to remit money in accordance with the written contract required by subdivision (2) of section 39 of this Act or as otherwise directed by the licensee or required by law.
- (2) If the circuit court issues an order prohibiting a person from acting as an authorized delegate for any licensee pursuant to subdivision (1) of this section, the licensee that brought the action must report the order to the director within thirty days and must report the order through NMLS within ninety days.
- (3) An authorized delegate who holds money in trust for the benefit of a licensee and knowingly fails to remit more than two thousand, five hundred dollars of such money is guilty of a Class 6 felony.
- (4) An authorized delegate who holds money in trust for the benefit of a licensee and knowingly fails to remit no more than two thousand, five hundred dollars of such money is guilty of a Class 1 misdemeanor.

Section 42. That chapter 51A-17 be amended with a NEW SECTION:

- (1) Every licensee shall forward all money received for transmission in accordance with the terms of the agreement between the licensee and the sender unless the licensee has a reasonable belief or a reasonable basis to believe that the sender may be a victim of fraud or that a crime or violation of law, rule, or regulation has occurred, is occurring, or may occur.
- (2) If a licensee fails to forward money received for transmission in accordance with this section, the licensee must respond to inquiries by the sender with the reason for the failure unless providing a response would violate a state or federal law, rule, or regulation.

Section 43. That chapter 51A-17 be amended with a NEW SECTION:

- (1) This section does not apply to:
 - (a) Money received for transmission subject to the federal Remittance Rule, 12 C.F.R. § 1005.30 to § 1005.36, inclusive (January 1, 2024); or
 - (b) Money received for transmission pursuant to a written agreement between the licensee and payee to process payments for goods or services provided by the payee.
- (2) Every licensee shall refund to the sender within ten days of receipt of the sender's written request for a refund of any and all money received for transmission unless any of the following occurs:
 - (a) The money has been forwarded within ten days of the date on which the money was received for transmission;
 - (b) Instructions have been given committing an equivalent amount of money to the person designated by the sender within ten days of the date on which the money was received for transmission;
 - (c) The agreement between the licensee and the sender instructs the licensee to forward the money at a time that is beyond ten days of the date on which the money was received for transmission. If funds have not yet been forwarded in accordance with the terms of the agreement between the licensee and the sender, the licensee shall issue a refund in accordance with the other provisions of this section; or
 - (d) The refund is requested for a transaction that the licensee has not completed based on a reasonable belief or a reasonable basis to believe

that a crime or violation of law, rule, or regulation has occurred, is occurring, or may occur.

- (e) The refund request does not enable the licensee to identify the sender's name and address or telephone number or identify the particular transaction to be refunded in the event the sender has multiple transactions outstanding.

Section 44. That chapter 51A-17 be amended with a NEW SECTION:

- (1) Section 45 does not apply to:
 - (a) Money received for transmission subject to the federal Remittance Rule, 12 C.F.R. Part 1005 Subpart B (January 1, 2024);
 - (b) Money received for transmission that is not primarily for personal, family, or household purposes;
 - (c) Money received for transmission pursuant to a written agreement between the licensee and payee to process payments for goods or services provided by the payee; or
 - (d) Payroll processing services.
- (2) For purposes of this Act, the term "receipt" means a paper receipt, electronic record, or other written confirmation. For a transaction conducted in person, the receipt may be provided electronically if the sender requests or agrees to receive an electronic receipt. For a transaction conducted electronically or by phone, a receipt may be provided electronically. All electronic receipts shall be provided in a retainable form.

Section 45. That chapter 51A-17 be amended with a NEW SECTION:

Every licensee or its authorized delegate shall provide the sender a receipt for money received for transmission.

- (1) The receipt shall contain the following information, as applicable:
 - (a) The name of the sender;
 - (b) The name of the designated recipient;
 - (c) The date of the transaction;
 - (d) The unique transaction or identification number;
 - (e) The name of the licensee, NMLS Unique ID, the licensee's business address, and the licensee's customer service telephone number;
 - (f) The amount of the transaction in United States dollars;

- (g) Any fee charged by the licensee to the sender for the transaction; and
 - (h) Any taxes collected by the licensee from the sender for the transaction.
- (2) The receipt required by this section must be in English and in the language principally used by the licensee or authorized delegate to advertise, solicit, or negotiate, either orally or in writing, for a transaction conducted in person, electronically, or by phone, if other than English.

Section 46. That chapter 51A-17 be amended with a NEW SECTION:

In addition to the contact information required in subsection (1)(e) of section 45 of this Act, every licensee or authorized delegate must include on a receipt or disclose on the licensee's website or mobile application the name and phone number of the division and a statement that the licensee's customers can contact the division with questions or complaints about the licensee's money transmission services.

Section 47. That chapter 51A-17 be amended with a NEW SECTION:

- (1) A licensee that provides payroll processing services must:
- (a) Issue reports to clients detailing client payroll obligations in advance of the payroll funds being deducted from an account; and
 - (b) Make available worker paystubs or an equivalent statement to workers.
- (2) Subdivision (1) of this section does not apply to a licensee providing payroll processing services where the licensee's client designates the intended recipients to the licensee and is responsible for providing the disclosures required by subsection 1(b) of this section.

Section 48. That chapter 51A-17 be amended with a NEW SECTION:

- (1) A licensee under this chapter must maintain at all times a tangible net worth of the greater of one hundred thousand dollars or three percent of total assets for the first one hundred million dollars, two percent of additional assets for one hundred million dollars to one billion dollars, and one-half of one percent of additional assets over one billion dollars.
- (2) Tangible net worth must be demonstrated at initial application by the applicant's most recent audited or unaudited financial statements pursuant to subsection 10(2)(f) of this Act.

- (3) Notwithstanding the foregoing provisions of this section, the director shall have the authority, for good cause shown, to exempt, in-part or in whole, from the requirements of this section any applicant or licensee.

Section 49. That chapter 51A-17 be amended with a NEW SECTION:

- (1) An applicant for a money transmission license must provide, and a licensee at all times must maintain, security consisting of a surety bond in a form satisfactory to the director or, with the director's approval, a deposit instead of a bond in accordance with this section.
- (2) The amount of the required security shall be:
 - (a) The greater of one hundred thousand dollars or an amount equal to one hundred percent of the licensee's average daily money transmission liability in this state calculated for the most recently completed three-month period, up to a maximum of five hundred thousand dollars; or
 - (b) In the event that the licensee's tangible net worth exceeds ten percent of total assets, the licensee shall maintain a surety bond of one hundred thousand dollars.
- (3) A licensee that maintains a bond in the maximum amount provided for in subsection 2(a) or (b) of this section, as applicable, shall not be required to calculate its average daily money transmission liability in this state for purposes of this section.
- (4) A licensee may exceed the maximum required bond amount pursuant to subdivision (5) of section 51 of this Act.

Section 50. That chapter 51A-17 be amended with a NEW SECTION:

- (1) A licensee shall maintain at all times permissible investments that have a market value computed in accordance with United States generally accepted accounting principles of not less than the aggregate amount of all of its outstanding money transmission obligations.
- (2) Except for permissible investments enumerated in section 51 of this Act, the director, with respect to any licensee, may by rule or order limit the extent to which a specific investment maintained by a licensee within a class of permissible investments may be considered a permissible investment, if the specific investment represents undue risk to customers, not reflected in the market value of investments.

- (3) Permissible investments, even if commingled with other assets of the licensee, are held in trust for the benefit of the purchasers and holders of the licensee's outstanding money transmission obligations in the event of insolvency, the filing of a petition by or against the licensee under the United States Bankruptcy Code, 11 U.S.C. § 101 to 110 (January 1, 2024) for bankruptcy or reorganization, the filing of a petition by or against the licensee for receivership, the commencement of any other judicial or administrative proceeding for its dissolution or reorganization, or in the event of an action by a creditor against the licensee who is not a beneficiary of this statutory trust. No permissible investments impressed with a trust pursuant to this section shall be subject to attachment, levy of execution, or sequestration by order of any court, except for a beneficiary of this statutory trust.
- (4) Upon the establishment of a statutory trust in accordance with subdivision (3) of this section or when any funds are drawn on a letter of credit pursuant to subdivision (4) of section 51 of this Act, the director shall notify the applicable regulator of each state in which the licensee is licensed to engage in money transmission, if any, of the establishment of the trust or the funds drawn on the letter of credit, as applicable. Notice shall be deemed satisfied if performed pursuant to a multistate agreement or through NMLS. Funds drawn on a letter of credit, and any other permissible investments held in trust for the benefit of the purchasers and holders of the licensee's outstanding money transmission obligations, are deemed held in trust for the benefit of such purchasers and holders on a pro rata and equitable basis in accordance with statutes pursuant to which permissible investments are required to be held in this state, and other states, as applicable. Any statutory trust established hereunder shall be terminated upon extinguishment of all of the licensee's outstanding money transmission obligations.
- (5) The director, by rule or by order, may allow other types of investments that the director determines are of sufficient liquidity and quality to be a permissible investment. The director is authorized to participate in efforts with other state regulators to determine that other types of investments are of sufficient liquidity and quality to be a permissible investment.

Section 51. That chapter 51A-17 be amended with a NEW SECTION:

The following investments are permissible under section 50 of this Act:

- (1) Cash, including demand deposits, savings deposits, and funds in such accounts held for the benefit of the licensee's customers in a federally-insured depository financial institution, and cash equivalents, including ACH items in transit to the licensee and ACH items or international wires in transit to a payee, cash in transit via armored car, cash in smart safes, cash in licensee-owned locations, debit card or credit card-funded transmission receivables owed by any bank, or money market mutual funds rated "AAA" by S&P, or the equivalent from any eligible rating service;
- (2) Certificates of deposit or senior debt obligations of an insured depository institution, as defined in section 3 of the Federal Deposit Insurance Act, 12 U.S.C. § 1813 (January 1, 2024) or as defined under the federal Credit Union Act, 12 U.S.C. § 1781 (January 1, 2024);
- (3) An obligation of the United States or a commission, agency, or instrumentality thereof; an obligation that is guaranteed fully as to principal and interest by the United States; or an obligation of a state or a governmental subdivision, agency, or instrumentality thereof;
- (4) The full drawable amount of an irrevocable standby letter of credit for which the stated beneficiary is the director that stipulates that the beneficiary need only draw a sight draft under the letter of credit and present it to obtain funds up to the letter of credit amount within seven days of presentation of the items required by section 54 of this Act; and
- (5) One hundred percent of the surety bond or deposit provided for under section 49 of this Act that exceeds the average daily money transmission liability in this state.

Section 52. That chapter 51A-17 be amended with a NEW SECTION:

The letter of credit referenced in subdivision (4) of section 51 of this Act must:

- (1) Be issued by a federally-insured depository financial institution, a foreign bank that is authorized under federal law to maintain a federal agency or federal branch office in a state or states, or a foreign bank that is authorized under state law to maintain a branch in a state that bears an eligible rating or whose parent company bears an eligible rating and is regulated, supervised, and examined by United States federal or state authorities having regulatory authority over banks, credit unions, and trust companies;
- (2) Be irrevocable, unconditional, and indicate that it is not subject to any condition or qualifications outside of the letter of credit;

- (3) Not contain reference to any other agreements, documents or entities, or otherwise provide for any security interest in the licensee; and
- (4) Contain an issue date and expiration date, and expressly provide for automatic extension, without a written amendment, for an additional period of one year from the present or each future expiration date, unless the issuer of the letter of credit notifies the director in writing by certified or registered mail or courier mail or other receipted means, at least sixty days prior to any expiration date, that the irrevocable letter of credit will not be extended.

Section 53. That chapter 51A-17 be amended with a NEW SECTION:

In the event of any notice of expiration or non-extension of a letter of credit issued under subdivision (4) of section 51 of this Act, the licensee shall be required to demonstrate to the satisfaction of the director, fifteen days prior to expiration, that the licensee maintains and will maintain permissible investments in accordance with subdivision (1) of section 50 of this Act upon the expiration of the letter of credit. If the licensee is not able to do so, the director may draw on the letter of credit in an amount up to the amount necessary to meet the licensee's requirements to maintain permissible investments in accordance with subdivision (1) of section 50 of this Act. Any such draw shall be offset against the licensee's outstanding money transmission obligations. The drawn funds shall be held in trust by the director or the director's designated agent, to the extent authorized by law, as agent for the benefit of the purchasers and holders of the licensee's outstanding money transmission obligations.

Section 54. That chapter 51A-17 be amended with a NEW SECTION:

The letter of credit referenced in subdivision (4) of section 51 of this Act shall provide that the issuer of the letter of credit will honor, at sight, a presentation made by the beneficiary to the issuer of the following documents on or prior to the expiration date of the letter of credit:

- (1) The original letter of credit, including any amendments; and
- (2) A written statement from the beneficiary stating that any of the following events have occurred:
 - (a) The filing of a petition by or against the licensee under the United States Bankruptcy Code, 11 U.S.C. § 101 to 110 (January 1, 2024) for bankruptcy or reorganization;

- (b) The filing of a petition by or against the licensee for receivership or the commencement of any other judicial or administrative proceeding for its dissolution or reorganization;
- (c) The seizure of assets of a licensee by a director pursuant to an emergency order issued in accordance with applicable law, on the basis of an action, violation, or condition that has caused or is likely to cause the insolvency of the licensee; or
- (d) The beneficiary has received notice of expiration or non-extension of a letter of credit and the licensee failed to demonstrate to the satisfaction of the beneficiary that the licensee will maintain permissible investments in accordance with subdivision (1) of section 50 of this Act upon the expiration or non-extension of the letter of credit.

Section 55. That chapter 51A-17 be amended with a NEW SECTION:

The director may designate an agent to serve on the director's behalf as beneficiary to a letter of credit so long as the agent and letter of credit meet requirements established by the director. The director's agent may serve as agent for multiple licensing authorities for a single irrevocable letter of credit if the proceeds of the drawable amount for the purposes of this subdivision (4) of section 51 of this Act are assigned to the director.

Section 56. That chapter 51A-17 be amended with a NEW SECTION:

The director is authorized and encouraged to participate in multistate processes designed to facilitate the issuance and administration of letters of credit, including, but not limited to, services provided by the NMLS and State Regulatory Registry, LLC.

Section 57. That chapter 51A-17 be amended with a NEW SECTION:

Unless permitted by the director, by rule or by order, to exceed the limit as set forth herein, the following investments are permissible under section 50 of this Act to the extent specified:

- (1) Receivables that are payable to a licensee from its authorized delegates in the ordinary course of business that are less than seven days old, up to fifty percent of the aggregate value of the licensee's total permissible investments;
- (2) Of the receivables permissible under subdivision (1) of this section, receivables that are payable to a licensee from a single authorized delegate in the ordinary

- course of business may not exceed ten percent of the aggregate value of the licensee's total permissible investments;
- (3) The following investments are permissible up to twenty percent per category and combined up to fifty percent of the aggregate value of the licensee's total permissible investments:
- (a) A short-term investment, an investment lasting up to six months, bearing an eligible rating;
 - (b) Commercial paper bearing an eligible rating;
 - (c) A bill, note, bond, or debenture bearing an eligible rating;
 - (d) U.S. tri-party repurchase agreements collateralized at one hundred percent or more with U.S. government or agency securities, municipal bonds, or other securities bearing an eligible rating;
 - (e) Money market mutual funds rated less than "AAA" and equal to or higher than "A-" by S&P or the equivalent from any other eligible rating service; and
 - (f) A mutual fund or other investment fund composed solely and exclusively of one or more permissible investments listed in subdivisions (1) to (3), inclusive, of section 51 of this Act;
- (4) Cash, including demand deposits, savings deposits, and funds in such accounts held for the benefit of the licensee's customers, at foreign depository institutions are permissible up to ten percent of the aggregate value of the licensee's total permissible investments if the licensee has received a satisfactory rating in its most recent examination and the foreign depository institution:
- (a) Has an eligible rating;
 - (b) Is registered under the Foreign Account Tax Compliance Act;
 - (c) Is not located in any country subject to sanctions from the Office of Foreign Asset Control; and
 - (d) Is not located in a high-risk or non-cooperative jurisdiction as designated by the Financial Action Task Force.

Section 58. That chapter 51A-17 be amended with a NEW SECTION:

A licensee transmitting virtual currencies shall hold like-kind virtual currencies of the same volume as that held by the licensee but that is obligated to consumers, in lieu of the permissible investments otherwise required in this Act.

Section 59. That chapter 51A-17 be amended with a NEW SECTION:

- (1) The director may suspend or revoke a license or order a licensee to revoke the designation of an authorized delegate if:
 - (a) The licensee violates this Act or a rule adopted or an order issued under this Act;
 - (b) The licensee does not cooperate with an examination or investigation by the director;
 - (c) The licensee engages in fraud, intentional misrepresentation, or gross negligence;
 - (d) An authorized delegate is convicted of a violation of a state or federal anti-money laundering statute, or violates a rule adopted or an order issued under this Act, as a result of the licensee's willful misconduct or willful blindness;
 - (e) The competence, experience, character, or general fitness of the licensee, authorized delegate, person in control of a licensee, key individual, or responsible person of the authorized delegate indicates that it is not in the public interest to permit the person to provide money transmission;
 - (f) The licensee engages in an unsafe or unsound practice;
 - (g) The licensee is insolvent, suspends payment of its obligations, or makes a general assignment for the benefit of its creditors; or
 - (h) The licensee does not remove an authorized delegate after the director issues and serves upon the licensee a final order including a finding that the authorized delegate has violated this Act.
- (2) In determining whether a licensee is engaging in an unsafe or unsound practice, the director may consider the size and condition of the licensee's money transmission, the magnitude of the loss, the gravity of the violation of this act, and the previous conduct of the person involved.

Section 60. That chapter 51A-17 be amended with a NEW SECTION:

- (1) The director may issue an order suspending or revoking the designation of an authorized delegate, if the director finds that:
 - (a) The authorized delegate violated this Act or a rule adopted or an order issued under this Act;

- (b) The authorized delegate did not cooperate with an examination or investigation by the director;
 - (c) The authorized delegate engaged in fraud, intentional misrepresentation, or gross negligence;
 - (d) The authorized delegate is convicted of a violation of a state or federal anti-money laundering statute;
 - (e) The competence, experience, character, or general fitness of the authorized delegate or a person in control of the authorized delegate indicates that it is not in the public interest to permit the authorized delegate to provide money transmission; or
 - (f) The authorized delegate is engaging in an unsafe or unsound practice.
- (2) In determining whether an authorized delegate is engaging in an unsafe or unsound practice, the director may consider the size and condition of the authorized delegate's provision of money transmission, the magnitude of the loss, the gravity of the violation of this Act or a rule adopted or order issued under this Act, and the previous conduct of the authorized delegate.
 - (3) An authorized delegate may apply for relief from a suspension or revocation of designation as an authorized delegate according to procedures prescribed by the director.

Section 61. That chapter 51A-17 be amended with a NEW SECTION:

- (1) If the director determines that a violation of this Act or of a rule adopted or an order issued under this Act by a licensee or authorized delegate is likely to cause immediate and irreparable harm to the licensee, its customers, or the public as a result of the violation, or cause insolvency or significant dissipation of assets of the licensee, the director may issue an order requiring the licensee or authorized delegate to cease and desist from the violation. The order becomes effective upon service of it upon the licensee or authorized delegate.
- (2) The director may issue an order against a licensee to cease and desist from providing money transmission through an authorized delegate that is the subject of a separate order by the director.
- (3) An order to cease and desist remains effective and enforceable pending the completion of an administrative proceeding pursuant to chapter 1-26.
- (4) A licensee or an authorized delegate that is served with an order to cease and desist may petition the circuit court, for a judicial order setting aside, limiting, or

suspending the enforcement, operation, or effectiveness of the order pending the completion of an administrative proceeding pursuant to chapter 1-26.

- (5) An order to cease and desist expires unless the director commences an administrative proceeding pursuant to chapter 1-26 within ten days after it is issued.

Section 62. That chapter 51A-17 be amended with a NEW SECTION:

The director may enter into a consent order at any time with a person to resolve a matter arising under this Act or a rule adopted or order issued under this Act. A consent order must be signed by the person to whom it is issued or by the person's authorized representative and must indicate agreement with the terms contained in the order. A consent order may provide that it does not constitute an admission by a person that this Act or a rule adopted or an order issued under this Act has been violated.

Section 63. That chapter 51A-17 be amended with a NEW SECTION:

- (1) A person that intentionally makes a false statement, misrepresentation, or false certification in a record filed or required to be maintained under this Act or that intentionally makes a false entry or omits a material entry in such a record is guilty of a Class 6 felony.
- (2) A person that knowingly engages in an activity for which a license is required under this Act without being licensed under this Act and who receives more than five hundred dollars in compensation within a thirty-day period from this activity is guilty of a Class 6 felony.
- (3) A person that knowingly engages in an activity for which a license is required under this Act without being licensed under this Act and who receives no more than five hundred dollars in compensation within a thirty-day period from this activity is guilty of a Class 1 misdemeanor.

Section 64. That chapter 51A-17 be amended with a NEW SECTION:

The director may assess a civil penalty against a person that violates this Act or a rule adopted or an order issued under this Act in an amount not to exceed one thousand dollars per day for each day the violation is outstanding, plus this state's costs and expenses for the investigation and prosecution of the matter, including reasonable attorney's fees.

Section 65. That chapter 51A-17 be amended with a NEW SECTION:

- (1) If the director has reason to believe that a person has violated or is violating section 8 of this Act, the director may issue an order to show cause why an order to cease and desist should not issue requiring that the person cease and desist from the violation of section 8 of this Act.
- (2) In an emergency, the director may petition the circuit court for the issuance of a temporary restraining order ex parte pursuant to the rules of civil procedure.
- (3) An order to cease and desist becomes effective upon service of it upon the person.
- (4) An order to cease and desist remains effective and enforceable pending the completion of an administrative proceeding pursuant to chapter 1-26.
- (5) A person that is served with an order to cease and desist for violating section 8 of this Act may petition the circuit court for a judicial order setting aside, limiting, or suspending the enforcement, operation, or effectiveness of the order pending the completion of an administrative proceeding pursuant to chapter 1-26.
- (6) An order to cease and desist expires unless the director commences an administrative proceeding within ten days after it is issued.

Section 66. That chapter 51A-17 be amended with a NEW SECTION:

In applying and construing this Act, consideration must be given to the need to promote uniformity of the law with respect to its subject matter among states that enact it.

Section 67. That chapter 51A-17 be amended with a NEW SECTION:

If any provision of this Act or its application to any person or circumstance is held invalid, the invalidity does not affect other provisions or applications of this Act which can be given effect without the invalid provision or application, and to this end, the provisions of this Act are severable.

Section 68. That chapter 51A-17 be amended with a NEW SECTION:

- (1) A person licensed in this state to engage in the business of money transmission shall not be subject to the provisions of this Act, to the extent that the provisions conflict with current law or establish new requirements not imposed under current law, until such time as the licensee renews its current license or for six months after the effective date of this Act, whichever is later.

- (2) Notwithstanding subdivision (1) of this section, a licensee shall only be required to amend its authorized delegate contracts for contracts entered into or amended after the effective date or the completion of any transition period contemplated under this section. Nothing herein shall be construed as limiting an authorized delegate's obligations to operate in full compliance with this Act as required by subdivision (3) of section 39 of this Act.

Section 69. That a NEW SECTION be added to chapter 51A-17:

Any person who engages in business activity regulated by this Act in the state is deemed to have consented to the jurisdiction of the courts of South Dakota for all actions arising under this Act.

Section 70. That a NEW SECTION be added to chapter 51A-17:

Any money coming into the custody of the division pursuant to this Act shall be deposited with the state treasurer. The state treasurer shall credit the money to the banking special revenue fund. Any expenditure of money out of the fund may only be made by appropriation by the Legislature through either the General Appropriation Act or a special appropriation bill. The director shall approve vouchers and the state auditor shall draw warrants to pay expenditures authorized by this Act.

Section 71. That a NEW SECTION be added to chapter 51A-17:

The following provisions apply to the sharing of information collected and retained by the director during the administration of this Act:

- (1) The provisions of section 4 of this Act regarding privacy or confidentiality apply to any information or material provided to the nationwide mortgage licensing system and registry, and any privilege arising under federal or state law, including any rule of a federal or state court, with respect to the information or material, continue to apply to the information or material after the information or material has been disclosed to the nationwide mortgage licensing system and registry. The information and material may be shared with a state or federal regulatory official who has money transmission industry oversight authority without the loss of privilege or the loss of confidentiality protections by federal law or section 4 of this Act; and

- (2) No information or material that is subject to privilege or confidentiality pursuant to this section is subject to:
- (a) Disclosure under any federal or state law governing the disclosure to the public of information held by an officer or an agency of the federal government or the respective state; or
 - (b) Subpoena or discovery, or admission into evidence, in any private civil action or administrative process, unless with respect to any privilege held by the nationwide mortgage licensing system and registry regarding the information or material is waived, in whole or in part, by the person to whom the information or material pertains.

This section does not apply to the information or material relating to the employment history of, and publicly adjudicated disciplinary and enforcement actions against, money transmitters that is included in the nationwide mortgage licensing system and registry for access by the public.

Section 72. That § 51A-17-1 be REPEALED.

Section 73. That § 51A-17-2 be REPEALED.

Section 74. That § 51A-17-2.1 be REPEALED.

Section 75. That § 51A-17-2.2 be REPEALED.

Section 76. That § 51A-17-2.3 be REPEALED.

Section 77. That § 51A-17-2.4 be REPEALED.

Section 78. That § 51A-17-2.5 be REPEALED.

Section 79. That § 51A-17-2.6 be REPEALED.

Section 80. That § 51A-17-2.7 be REPEALED.

Section 81. That § 51A-17-2.8 be REPEALED.

Section 82. That § 51A-17-3 be REPEALED.

Section 83. That § 51A-17-4 be REPEALED.

Section 84. That § 51A-17-5 be REPEALED.

Section 85. That § 51A-17-6 be REPEALED.

Section 86. That § 51A-17-7 be REPEALED.

Section 87. That § 51A-17-8 be REPEALED.

Section 88. That § 51A-17-9 be REPEALED.

Section 89. That § 51A-17-10 be REPEALED.

Section 90. That § 51A-17-10.1 be REPEALED.

Section 91. That § 51A-17-10.2 be REPEALED.

Section 92. That § 51A-17-10.3 be REPEALED.

Section 93. That § 51A-17-11 be REPEALED.

Section 94. That § 51A-17-12 be REPEALED.

Section 95. That § 51A-17-13 be REPEALED.

Section 96. That § 51A-17-14 be REPEALED.

Section 97. That § 51A-17-15 be REPEALED.

Section 98. That § 51A-17-16 be REPEALED.

Section 99. That § 51A-17-17 be REPEALED.

Section 100. That § 51A-17-18 be REPEALED.

Section 101. That § 51A-17-19 be REPEALED.

Section 102. That § 51A-17-20 be REPEALED.

Section 103. That § 51A-17-21 be REPEALED.

Section 104. That § 51A-17-22 be REPEALED.

Section 105. That § 51A-17-22.1 be REPEALED.

Section 106. That § 51A-17-22.2 be REPEALED.

Section 107. That § 51A-17-22.3 be REPEALED.

Section 108. That § 51A-17-23 be REPEALED.

Section 109. That § 51A-17-24 be REPEALED.

Section 110. That § 51A-17-25 be REPEALED.

Section 111. That § 51A-17-26 be REPEALED.

Section 112. That § 51A-17-27 be REPEALED.

Section 113. That § 51A-17-28 be REPEALED.

Section 114. That § 51A-17-29 be REPEALED.

Section 115. That § 51A-17-30 be REPEALED.

Section 116. That § 51A-17-31 be REPEALED.

Section 117. That § 51A-17-32 be REPEALED.

Section 118. That § 51A-17-33 be REPEALED.

Section 119. That § 51A-17-34 be REPEALED.

Section 120. That § 51A-17-35 be REPEALED.

Section 121. That § 51A-17-36 be REPEALED.

Section 122. That § 51A-17-37 be REPEALED.

Section 123. That § 51A-17-38 be REPEALED.

Section 124. That § 51A-17-39 be REPEALED.

Section 125. That § 51A-17-40 be REPEALED.

Section 126. That § 51A-17-41 be REPEALED.

Section 127. That § 51A-17-42 be REPEALED.

Section 128. That § 51A-17-43 be REPEALED.

Section 129. That § 51A-17-45 be REPEALED.

Section 130. That § 51A-17-46 be REPEALED.

Section 131. That § 51A-17-47 be REPEALED.

Section 132. That § 51A-17-48 be REPEALED.

Section 133. That § 51A-17-49 be REPEALED.

Section 134. That § 51A-17-50 be REPEALED.

Section 135. That § 51A-17-51 be REPEALED.

An Act to revise provisions regarding money transmission.

 I certify that the attached Act originated in
 the:
 Senate as Bill No. 58

 Received at this Executive Office
 this ____ day of _____,
 2024 at _____ M.

 Secretary of the Senate

By _____
 for the Governor

 President of the Senate

The attached Act is hereby
 approved this _____ day of
 _____, A.D., 2024

Attest:

 Secretary of the Senate

 Governor

STATE OF SOUTH DAKOTA,

ss.

Office of the Secretary of State

 Speaker of the House

Attest:

Filed _____, 2024
 at _____ o'clock __ M.

 Chief Clerk

 Secretary of State

Senate Bill No. 58
 File No. _____
 Chapter No. _____

By _____
 Asst. Secretary of State