
SENATE FLOOR AMENDMENTS

2020 Regular Session

Amendments proposed by Senator Henry to Reengrossed House Bill No. 701 by Representative Wright

1 AMENDMENT NO. 1

2 On page 1, line 7, delete "to authorize registration in lieu of licensure;"

3 AMENDMENT NO. 2

4 On page 1, at the end of line 8, insert "to provide for examinations;"

5 AMENDMENT NO. 3

6 On page 3, line 7, change "R.S. 6:1390" to "R.S. 6:1389"

7 AMENDMENT NO. 4

8 On page 8, delete lines 6 through 8

9 AMENDMENT NO. 5

10 On page 8, line 9, change "(3)" to "(2)"

11 AMENDMENT NO. 6

12 On page 8, line 10, change "(4)" to "(3)"

13 AMENDMENT NO. 7

14 On page 8, delete line 12, and insert "A. An applicant for a license"

15 AMENDMENT NO. 8

16 On page 8, delete line 13 and insert "pursuant to the provisions of this Chapter shall submit
17 the application through the Nationwide Multi-State Licensing System (NMLS) and satisfy
18 all of the following:"

19 AMENDMENT NO. 9

20 On page 8, delete line 14

21 AMENDMENT NO. 10

22 On page 8, line 15, change "(2)" to "(1)"

23 AMENDMENT NO. 11

24 On page 10, line 11, change "R.S. 6:1387" to "R.S. 6:1386"

25 AMENDMENT NO. 12

26 On page 11, line 16, change "(3)" to "(2)"

27 AMENDMENT NO. 13

28 On page 11, line 19, change "Paragraph (A)(3)" to "Paragraph (A)(2)"

1 AMENDMENT NO. 14

2 On page 12, line 19, change "6:1387" to "6:1386"

3 AMENDMENT NO. 15

4 On page 12, delete lines 22 through 29

5 AMENDMENT NO. 16

6 On page 13, delete lines 1 through 23

7 AMENDMENT NO. 17

8 On page 13, line 24, change "§1387." to "§1386."

9 AMENDMENT NO. 18

10 On page 13, delete lines 25 through 28, and insert the following:

11 “A. (1) Before a license is issued pursuant to the provisions of this Chapter, an
 12 applicant shall submit a surety bond in the amount of one hundred thousand dollars to the
 13 department that secures the applicant’s faithful performance of its duties pursuant to the
 14 provisions of this”

15 AMENDMENT NO. 19

16 On page 14, line 1, change "and is" to "or"

17 AMENDMENT NO. 20

18 On page 14, delete lines 3 through 8, and insert the following:

19 “(2)(a) The licensee shall maintain or increase the amount of security to reflect the dollar
 20 amount of all licensed money transmission activity in this state in the preceding calendar
 21 year in accordance with the provisions of this Paragraph. A licensee may decrease its
 22 security in accordance with the provisions of this Paragraph if the security required is less
 23 than the amount of security on file with the department.

<u>Dollar Amount of Virtual Currency Activity</u>	<u>Security Required</u>
24 <u>\$0 to \$5,000,000</u>	<u>\$100,000</u>
25 <u>\$5,000,000.01 to \$10,000,000</u>	<u>\$200,000</u>
26 <u>\$10,000,000.01 to \$15,000,000</u>	<u>\$300,000</u>
27 <u>\$15,000,000.01 to \$20,000,000</u>	<u>\$400,000</u>
28 <u>\$20,000,000.01 to \$25,000,000</u>	<u>\$500,000</u>
29 <u>\$25,000,000.01 to \$30,000,000</u>	<u>\$600,000</u>
30 <u>\$30,000,000.01 to \$35,000,000</u>	<u>\$700,000</u>
31 <u>\$35,000,000.01 to \$40,000,000</u>	<u>\$800,000</u>
32 <u>\$40,000,000.01 to \$45,000,000</u>	<u>\$900,000</u>
33 <u>Over \$45,000,000</u>	<u>\$1,000,000</u>

1 **(b) Security shall be in a form satisfactory to the department and payable to the state**
2 **for the benefit of any claimant against the licensee to secure the faithful performance of the**
3 **obligations of the licensee with respect to money transmission.**

4 **(c) The aggregate liability on a surety bond may not exceed the principal sum of the**
5 **bond. A claimant against a licensee may maintain an action on the bond, or the department**
6 **may maintain an action on behalf of the claimant.**

7 **(d) A surety bond shall cover claims for as long as the department specifies, but for**
8 **at least five years after the licensee ceases to provide money services in this state. However,**
9 **the department may permit the amount of security to be reduced or eliminated before the**
10 **expiration of that time to the extent the amount of the licensee's obligations outstanding in**
11 **this state is reduced. The department may permit a licensee to substitute another form of**
12 **security acceptable to the department for the security effective at the time the licensee ceases**
13 **to provide money services in this state.**

14 **(e) The department may increase the amount of security required to a maximum of**
15 **seven million dollars."**

16 **AMENDMENT NO. 21**

17 On page 14, line 9, change "(4)" to "(3)"

18 **AMENDMENT NO. 22**

19 On page 14, delete lines 13 through 25

20 **AMENDMENT NO. 23**

21 On page 14, delete line 29, and insert the following:

22 **"the department evidence of and maintain at all times a tangible net worth of the greater of**
23 **one hundred thousand dollars or three percent of total assets."**

24 **AMENDMENT NO. 24**

25 On page 15, delete lines 1 through 4

26 **AMENDMENT NO. 25**

27 On page 15, line 13, change "§1388." to "§1387."

28 **AMENDMENT NO. 26**

29 On page 15, line 19, delete "or 1386"

30 **AMENDMENT NO. 27**

31 On page 15, line 22, change "§1389." to "§1388."

32 **AMENDMENT NO. 28**

33 On page 17, line 11, change "R.S. 6:1387" to "R.S. 6:1386"

1 AMENDMENT NO. 29

2 On page 18, delete lines 10 through 12

3 AMENDMENT NO. 30

4 On page 18, line 13, change "I." to "H."

5 AMENDMENT NO. 31

6 On page 18, line 16, change "J" to "I"

7 AMENDMENT NO. 32

8 On page 19, line 11, change "1387" to "1386"

9 AMENDMENT NO. 33

10 On page 20, in between lines 12 and 13, insert the following:

11 "§1391. Examinations

12 A.(1) Each person required to be licensed under this Chapter shall maintain in his
13 office the books, records, and accounts of its virtual currency business activities as the
14 commissioner may reasonably require in order to determine whether the person is complying
15 with the provisions of this Chapter and the rules and regulations promulgated under the
16 provisions of this Chapter. Required records may be maintained in any electronic format
17 consistent with the person's ordinary business practices unless the person receives specific
18 written instructions from the commissioner to the contrary. The books, records, and accounts
19 shall be maintained separate and apart from any other business in which the person is
20 involved and shall be kept at the location in the state at which the virtual currency business
21 activities occurred or at the person's principal office unless otherwise permitted in writing
22 by the commissioner. Records shall be made available for review or examination at a
23 nonresidential location approved by the commissioner.

24 (2) If the books and records of any person described in this Subsection are located
25 outside of the state, he shall make them available to the commissioner at a location within
26 this state convenient to the commissioner or pay the reasonable and necessary expenses for
27 the commissioner or his representative to examine them at the place where they are
28 maintained. The commissioner may designate representatives, including comparable
29 officials of the state in which the records are located, to inspect the records on his behalf.

30 (3) The licensee shall pay the reasonable cost of the examination as the commissioner
31 shall prescribe by rule. If the examination fee is not paid within thirty days of its assessment,
32 the person examined shall be subject to an administrative penalty."

33 AMENDMENT NO. 34

34 On page 20, line 26, change "R.S. 6:1387" to "R.S. 6:1386"