

RÉSUMÉ DIGEST

ACT 888 (HB 1230)

2026 Regular Session

Deshotel

Prior law provided for "The Sale of Checks and Money Transmission Act".

Prior law provided for definitions.

Prior law provided for licensing requirements to engage in the business of money transmission or selling checks as a service. Prior law provided for exemptions from licensing under prior law.

Prior law provided for the qualifications for licensure. Prior law provided relative to applications for licensure pursuant to prior law.

Prior law provided for fees, statements, and bonds that are required for applications and for licensees. Prior law provided for when a temporary license may be granted. Prior law provided for the maintenance of the bond required by prior law. Prior law provided for the annual renewal fee and a late fee for licensees.

Prior law provided relative to agents and subagents.

Prior law provided that each licensee is liable for the payment of all checks which he sells or money he is obligated to transmit.

Prior law required that the commissioner of the office of financial institutions (commissioner), or his employee, visit or examine each licensee or his agent on a recurring schedule.

Prior law provided for hearings to deny or revoke a license. Prior law provided for penalties for violations of prior law.

Prior law provided for annual reports from the licensee to the commissioner.

Prior law provided for what a licensee shall hold in trust.

Prior law provided for a list provided by a licensee who has had their license suspended or revoked, to the commission, with the institutions where the licensee has transacted business.

Prior law provided for the surety bond retained by the commissioner.

Prior law provided for the notification from the commissioner in the event of a suspended or revoked license.

Prior law provided for verification before a financial institution opens an account for a seller of checks or a person who transmits money.

Prior law provided for when a licensee shall report certain information to the commissioner.

Prior law provided for when a person directly or indirectly acquires control of a licensee or a person in control of a licensee.

Prior law provided for the delivery of funds requirements for money transmitters.

New law repeals all of prior law.

New law enacts the "Louisiana Money Transmission Act" and provides for its purpose.

New law defines certain terms.

New law provides for exemptions from licensure pursuant to new law and provides that the commissioner may require documentation to verify any exemption.

New law provides for the powers and duties of the commissioner to implement the provisions of new law.

New law gives the commissioner administrative authority to administer, interpret, and enforce the provisions of new law, and to promulgate rules or regulations for the implementation of new law, and to recover the cost of administering and enforcing new law by imposing and collecting proportionate and equitable fees and costs associated with applications, examinations, investigations, and other actions required to achieve the purpose of new law.

New law provides for the supervision of a license.

New law requires each person who is required to be licensed, and his authorized agent, to maintain in his office the books, records, and accounts of his money transmission activities as the commissioner may reasonably require in order to determine whether the person is complying with the provisions of new law.

New law provides for the examination of books and records. New law further provides for a \$50 examination fee per hour per examiner plus other costs.

New law provides for investigations and examinations for licensees.

New law states that the commissioner may participate in a multistate examination and investigation process for licensees that hold licenses in this state and other states.

New law allows the commissioner to participate in multistate supervisory processes established between states and coordinated through the Conference of State Bank Supervisors, the Money Transmitter Regulators Association, and affiliates and successors thereof, for all licensees that hold licenses in this state and other states.

New law provides for what the commissioner may do as a participant in multistate supervision.

New law provides that a joint examination or investigation, or acceptance of an examination or investigation report, does not waive the examination fee provided for in new law.

New law provides that 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 pursuant to new law.

New law provides for exemptions to new law.

New law provides that a license issued pursuant to new law is not transferable or assignable.

New law provides for what the commissioner may do to establish licensing between this state and other states.

New law provides that the commissioner may establish relationships or contracts with Nationwide Multistate Licensing System (NMLS) or other entities designated by NMLS. New law further provides that the commissioner may utilize NMLS for all aspects of licensing.

New law provides that every person required to be licensed shall register with NMLS and be subject to such registration and renewal requirements as may be established by NMLS in addition to any requirements of new law.

New law requires that applicants for a license apply in a form and medium prescribed by the commissioner. New law provides for what shall be included in the application process for licensure.

New law provides for the application process if an applicant is a corporation, limited liability company, partnership, or other legal entity. New law requires that a nonrefundable \$1,500 fee accompany the application. New law further provides that the fee shall be adjusted yearly in accordance with the Consumer Price Index.

New law provides that if any material information provided in connection with an application changes during the application review period, the applicants shall immediately notify the commissioner.

New law provides what a person in control of a licensee or applicant, any person who seeks to acquire control of a licensee, and each key individual shall furnish to the commissioner through NMLS.

New law provides for the process if a person has resided outside the U.S. at any time in the last 10 years.

New law provides for the process by which the commissioner shall issue a license and the process by which the commissioner shall issue a notice of denial. New law provides for the appeal process if an applicant is denied.

New law provides for the process where an applicant for a license does not complete the license application and fails to respond to a notice from the commissioner to correct a deficiency.

New law provides that the initial license term begins on the day the application is approved. The license expires on Dec. 31 of the year in which the license term began, unless the initial license date is between Nov. 1 and Dec. 31, in which instance the initial license term expires on Dec. 31 of the following year.

New law requires each person licensed as a money transmitter in accordance with new law to submit an annual license renewal application and a nonrefundable fee in the amount of \$800, plus \$100 for each location in excess of one in La. through which the licensee plans to conduct money transmission during the license year, not to exceed \$6,000.

New law provides relative to the requirements of the annual renewal application.

New law provides for a late fee in the amount of \$600.

New law provides for when a license expires and under what circumstances it will not be reinstated.

New law provides that 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 commissioner may suspend or revoke the licensee's license in accordance with the procedures established by new law or other applicable state law for such suspension or revocation.

New law provides for the process by which any person, or group of persons acting in concert, seeks to acquire control of a licensee.

New law provides for application requirements and determination process by the commissioner for any person, or group of persons acting in concert, seeking to acquire control of a licensee.

New law provides for what a licensee shall do if they are adding or replacing any key individual.

New law requires each licensee to submit a report of condition, which will be known as a Call Report, within 45 days of the end of the calendar quarter, or within any extended time as the commissioner may prescribe. New law provides for what the report of condition will include and adds that certain information shall only be included within the 45 calendar days of the end of the fourth calendar quarter.

New law provides for what will be filed with the commissioner by a licensee within 90 days after the end of each fiscal year, or within any extended time as the commissioner may prescribe.

New law provides relative to audited financial statements filed with the commissioner and what shall be included in the statements.

New law requires each licensee to submit a report of the authorized agent within 45 days of the end of the calendar quarter and new law provides for what shall be in the report.

New law provides for a list of events that will require a licensee to file a report with the commissioner.

New law requires a licensee and an authorized agent to file all reports required by federal currency reporting, recordkeeping, and suspicious activity reporting requirements as set forth in the Bank Secrecy Act and other federal and state laws pertaining to money laundering.

New law provides for what records the licensee will maintain in written or electronic form. New law further provides for how those records are maintained.

New law defines the term "remit".

New law provides for what a licensee shall do before a licensee may conduct business through an authorized agent or allow a person to act as the licensee's authorized agent.

New law requires the licensee's authorized agents to operate in full compliance with applicable state and federal law, and the licensee shall be responsible for implementing and maintaining a reasonable risk-based supervision program to monitor its authorized agents.

New law provides for what a written contract required by new law shall do.

New law provides that if a licensee's license is suspended, revoked, surrendered, or expired, the licensee will, within five business days, provide documentation to the commissioner that the licensee has notified all applicable authorized agents of the licensee whose names are in a record filed with the commissioner of the suspension, revocation, surrender, or expiration of a license. New law provides for when the authorized agent shall immediately cease to provide money transmission as an authorized agent of the licensee.

New law requires an authorized agent of a licensee to hold in trust for the benefit of the licensee all money net of fees received from money transmission. If any authorized agent commingles any funds received from money transmission with any other funds or property owned or controlled by the authorized agent, 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.

New law provides that an authorized agent may not use a subagent to conduct money transmission on behalf of a licensee.

New law prohibits a person from engaging in the business of money transmission on behalf of a person not licensed or exempt pursuant to new law. A person who engages in such activity provides money transmission to the same extent as if the person were a licensee, and is jointly and severally liable with the unlicensed or nonexempt person.

New law prohibits a person from engaging in money transmission pursuant to new law if the transmission of money, or its equivalent, is undertaken for the purpose of debt adjusting. New law further provides for what shall be considered debt adjusting.

New law provides relative to the timeline for transmitting the monetary equivalent of all money or equivalent value received from a consumer for transmission. New law provides for enforcement of the timeline.

New law provides for situations in which user policies or agreements are to be considered null and void.

New law provides for when certain funds shall be returned to a consumer.

New law provides that the commissioner may enjoin a violation of new law.

New law requires every licensee to refund to the sender within 10 days of receipt of the sender's written request for a refund of any and all money received for transmission unless for circumstances outlined in new law.

New law requires every licensee or its authorized agent to provide the sender a receipt for money received for transmission. New law further provides what shall be included in that receipt.

New law provides that a licensee pursuant to new law shall maintain at all times a tangible net worth of the greater of \$100,000 or 3% of total assets for the first \$100 M, 2% of additional assets for \$100 M to \$1 B, and ½% of additional assets for over \$1 B. New law provides for how net worth is demonstrated.

New law requires an applicant for a money transmission license to provide, and a licensee at all times to maintain, a surety bond issued by a bonding company or insurance company authorized to do business in this state and in a form satisfactory to the commissioner.

New law provides that the amount of the required surety bond shall be the greater of \$100,000 or an amount equal to 100% 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 \$500,000. New law provides relative to the requirements of the bond.

New law requires a licensee to maintain at all times permissible investments that have a market value computed in accordance with U.S. Generally Accepted Accounting Principles of not less than the aggregate amount of all of its outstanding money transmission obligations in all states.

New law provides for requirements of investments.

New law provides for what investments are permissible.

New law provides relative to the establishment of a statutory trust.

New law provides relative to the use of letters of credit. New law provides for the requirement regarding a letter of credit.

New law provides for the event of any notice of expiration or nonexistence of a letter of credit issued pursuant to new law. New law provides that the letter of credit shall provide that the issuer of the letter of credit will honor, at sight, a presentation made by the beneficiary to the issuer of certain documents on or prior to the expiration date of the letter of credit.

New law allows the commissioner to designate an agent to serve on the commissioner's behalf as beneficiary to a letter of credit so long as the agent and letter of credit meet requirements established by the commissioner.

New law allows the commissioner 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.

New law provides for circumstances when the commissioner can suspend or revoke a license or order a licensee to revoke the designation of an authorized agent.

New law provides the instances in which the office may implement an enforcement action against a licensee or person who is not a licensee but is engaging in money transmission activities with, or on behalf of, a resident.

New law provides for instances when the commissioner may, upon discovery, order an immediate suspension of the license of any person licensed pursuant to new law.

New law provides for when the commissioner may issue a cease and desist order to request a hearing.

New law provides that the violations listed in new law are nonexclusive and are in addition to and exist independent of any violations set forth in other provisions of new law.

New law further provides for what shall be considered a violation of new law.

New law allows the commissioner to report apparent violations to other appropriate state and federal regulators, the NMLS, federal law enforcement agencies, the attorney general, or the district attorney of the appropriate parish, who may institute any proceeding as he considers appropriate.

New law provides that advisory opinions and interpretations of the office shall not be considered rules requiring compliance with the rulemaking process of the APA.

New law provides that all of the grounds for enforcement action of new law may serve as the basis for any other enforcement action provided to the commissioner by existing and new law.

New law allows the commissioner to share information about any person who is licensed or required to be licensed pursuant to new law with any state or federal agency also having jurisdiction over the money transmission activities of that person.

New law prohibits any licensee whose license was issued pursuant to new law and has been revoked for any reason from reapplying for a license until at least five years have elapsed from the date of the order of revocation, unless the commissioner, in his sole discretion, prescribes an earlier or later date.

New law provides for what shall be included in the term "licensee".

New law provides for the circumstances under which the commissioner may issue an order suspending or revoking the designation of an authorized agent.

New law provides relative to the revocation process of a license.

New law provides relative to the notice and hearing process relating to the revocation of a license.

New law allows the commissioner to, at any time, revoke a license on any ground on which he might refuse to grant a license, or for failure to pay an annual fee, or for violation of any provision of new law, and any such revocation shall be implemented in accordance with the provisions of new law.

New law provides for when a license shall be automatically and finally revoked without any act or further act of the commissioner.

New law provides for when the commissioner may issue an order requiring a cease and desist and when he may sue to enjoin a person. New law provides for the process to petition the 19th JDC relative to a cease and desist.

New law provides that the commissioner may enter into a consent order at any time with a person to resolve a matter arising pursuant to new law or a rule or regulation adopted or order issued relative to new law. New law further provides relative to a consent order.

New law provides relative to the criminal penalties for persons in violation of new law.

New law provides that the commissioner may assess a civil money penalty against a person who violates any provision of new law or a rule or regulation adopted or an order issued relative to new law.

New law provides relative to what actions the commissioner may take regarding persons the commissioner has reason to believe are violating new law.

New law provides relative to the investigation process of possible violations of new law.

New law provides that a person licensed in this state to engage in the business of money transmission shall not be subject to the provisions of new law, to the extent that they conflict with or establish new requirements not imposed under law as it existed immediately prior to the effective date of new law, until such time as the licensee renews its current license or for 12 months after the effective date of new law, whichever is later.

New law provides that a licensee shall only be required to amend its authorized agent contracts for contracts entered into or amended after the effective date or the completion of any transition period set forth in new law. Nothing shall be construed as limiting an authorized agent's obligations to operate in full compliance as required by new law.

New law provides that in applying and construing the provisions of new law, consideration may be given to the need to promote uniformity of the law with respect to its subject matter among states.

New law provides for severability.

New law authorizes the La. State Law Institute to recodify the provisions of new law, to designate the newly enacted new law with any nonsubstantive, technical changes that may be necessary.

New law directs the La. State Law Institute to change references to new law in existing law.

Effective July 1, 2026.

(Amends R.S. 6:1031-1072)