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The original instrument and the following digest, which constitutes no part of the legislative instrument, were prepared by Michelle Ridge.

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DIGEST

SB 143 Original

2016 Regular Session

Barrow

Present law provides for the regulation of the sale of checks and money transmission.

Present law requires any person engaged in the business of money transmission or selling checks as a service or for a fee or other consideration to be licensed by the office of financial institutions.

Present law defines "money transmission" as engaging in the business of the sale or issuance of payment instruments or of receiving money or monetary value for transmission to a location within or outside the United States by any and all means. The term includes:

- (1) Selling or issuing stored value or payment instruments including checks, money orders, and traveler's checks.
- (2) Receiving money or monetary value for transmission including by payment instrument, wire, facsimile, electronic transfer, or Automated Clearing House debit.
- (3) Providing third-party bill paying services.

Present law defines "location" as a place at which activity regulated by present law occurs.

Present law authorizes a licensee to conduct his business at one or more locations within the state as follows:

- (1) The business may be conducted through or by means of such agents and subagents as the licensee may from time to time designate or appoint.
- (2) No license is required of any agent or subagent of a licensee.
- (3) No licensee shall be required to obtain more than one license regardless of the number of locations within the state at which money is transmitted or checks are sold.

Present law provides for the revocation of licenses and penalty provisions.

Proposed law provides that subject to revocation of licensure and penalties, a licensee must take reasonable steps to ensure the safety of its customers. Proposed law provides that a reasonable step shall include the requirement that every business transaction between a customer and a licensee or an agent or subagent of a licensee be conducted inside such location.

Effective August 1, 2016.

(Adds R.S. 6:1041.1)