

FINAL BILL REPORT

SSB 6273

C 206 L 14
Synopsis as Enacted

Brief Description: Revising provisions governing money transmitters.

Sponsors: Senate Committee on Financial Institutions, Housing & Insurance (originally sponsored by Senators Hobbs, Benton and Mullet).

Senate Committee on Financial Institutions, Housing & Insurance
House Committee on Business & Financial Services

Background: The Department of Financial Institutions (DFI) regulates money transmission under the Uniform Money Services Act (Act), chapter 19.230 RCW.

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 duly licensed by DFI as a money transmitter or is an authorized delegate of a person licensed as a money transmitter.

Money transmission is the receipt of money for the purpose of transmitting or delivering the money to another location, whether inside or outside the United States. The transmission or delivery of the money can take place by any means, including wire, facsimile, or electronic transfer.

Every money transmitter must transfer all money received from a customer for transmission, to the person designated by the customer within ten business days after receiving the money, unless otherwise ordered by the customer or unless the licensee has reason to believe a crime occurred, is occurring, or may occur as a result of transmitting the money.

Summary: A money transmitter licensee that accepts money or its equivalent from consumers purchasing goods or services from third-party merchants and transmits the money or its equivalent to those merchants selling the goods or services to the customer must (1) transmit the money or its equivalent to the merchant within the timeframe agreed upon in the merchant's agreement with the money transmitter licensee; and (2) conspicuously disclose to the merchant in the agreement the money transmitter's authority to place a hold or delay in transmittal of consumer money or its equivalent for more than ten business days and the general circumstances under which the merchant may be subject to a hold or delay.

Votes on Final Passage:

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.

Senate 47 0
House 96 0

Effective: June 12, 2014