

CHAPTER 192

PROFESSIONS AND OCCUPATIONS

HOUSE BILL 10-1114

BY REPRESENTATIVE(S) Liston, Labuda, Merrifield, Middleton, Primavera, Scanlan;
also SENATOR(S) Johnston, Foster.

AN ACT

**CONCERNING THE REGISTRATION OF AGENTS OF PERSONS IN THE BUSINESS OF TRANSMITTING
MONEY, AND MAKING AN APPROPRIATION THEREFOR.**

Be it enacted by the General Assembly of the State of Colorado:

SECTION 1. 11-102-305 (1) (a) (IV), Colorado Revised Statutes, is amended, and the said 11-102-305 (1) (a) is further amended BY THE ADDITION OF A NEW SUBPARAGRAPH, to read:

11-102-305. Records. (1) (a) Information from the records of the division shall be revealed only to members of the banking board, except as follows:

(IV) The commissioner may exchange information obtained from money transmitters ~~and foreign capital depositories~~ with the United States secretary of the treasury, ~~or the secretary's designees, THE UNITED STATES ATTORNEY GENERAL, OR THE ATTORNEY GENERAL'S DESIGNEE~~ pertaining to compliance with federal money laundering and other financial crimes laws, including, but not limited to, the "Bank Secrecy Act", the "Right to Financial Privacy Act of 1978", the "Money Laundering Control Act of 1986", and the "Annunzio-Wylie Anti-Money Laundering Act".

(V) THE COMMISSIONER MAY EXCHANGE INFORMATION AS PROVIDED BY PART 2 OF ARTICLE 52 OF TITLE 12, C.R.S.

SECTION 2. Article 52 of title 12, Colorado Revised Statutes, is amended BY THE ADDITION OF A NEW PART to read:

**PART 2
MONEY TRANSMITTER AGENTS**

Capital letters indicate new material added to existing statutes; dashes through words indicate deletions from existing statutes and such material not part of act.

12-52-201. Agent information - rules. (1) A MONEY TRANSMITTER LICENSED PURSUANT TO PART 1 OF THIS ARTICLE SHALL ANNUALLY SEND THE FOLLOWING INFORMATION TO THE BANKING BOARD ON SUCH FORM AS IT MAY PRESCRIBE:

(a) THE NAME OF EACH AGENT AND THE ADDRESS AND TELEPHONE NUMBER OF EACH OF THE AGENT'S OFFICES THAT ENGAGE IN THE BUSINESS OF MONEY TRANSMISSION;

(b) THE NAME, ADDRESS, AND TELEPHONE NUMBER OF EACH OF THE OWNERS OF THE AGENT HOLDING MORE THAN A TEN PERCENT INTEREST IN THE BUSINESS IF THE AGENT IS A PARTNERSHIP OR AN ENTITY CREATED PURSUANT TO TITLE 7, C.R.S.;

(c) THE SERVICES CONCERNING MONEY TRANSMISSION THAT ARE OFFERED BY THE AGENT AND THE LOCATIONS WHERE SUCH SERVICES ARE OFFERED;

(d) SUCH OTHER PERTINENT INFORMATION THAT THE BANKING BOARD MAY REQUIRE CONCERNING THE AGENT OR ITS DIRECTORS, TRUSTEES, OFFICERS, MEMBERS, BRANCHES, SUBSIDIARIES, AFFILIATES, OR AGENTS AS PROMULGATED BY RULE.

(2) THE BANKING BOARD MAY PROMULGATE RULES NECESSARY TO IMPLEMENT THIS SECTION.

12-52-202. Applicability. (1) THIS PART 2 DOES NOT APPLY TO AN AGENT OF A BUSINESS LICENSED PURSUANT TO PART 1 OF THIS ARTICLE TO THE EXTENT THAT THE AGENT IS SELLING OR ADDING ADDITIONAL MONEY TO STORED VALUE ISSUED BY THE BUSINESS.

(2) FOR PURPOSES OF THIS SECTION, "STORED VALUE" MEANS A CARD, CODE, OR OTHER DEVICE THAT IS ISSUED TO A CONSUMER IN A SPECIFIED DOLLAR AMOUNT, WHICH MAY OR MAY NOT BE INCREASED IN VALUE, AND IS REDEEMABLE AT A SINGLE MERCHANT, AN AFFILIATED GROUP OF MERCHANTS, OR MULTIPLE UNAFFILIATED GROUPS OF MERCHANTS OR USABLE AT AUTOMATED TELLER MACHINES.

12-52-203. Notice of laws. (1) THE BANKING BOARD SHALL PROMULGATE RULES TO CREATE A FORM CONTAINING A NOTICE OF THE CONTENTS OF SECTION 18-18-408, C.R.S., AND OTHER STATE AND FEDERAL LAWS CONCERNING MONEY LAUNDERING.

(2)(a) AN AGENT OF A BUSINESS LICENSED PURSUANT TO PART 1 OF THIS ARTICLE SHALL REQUIRE EACH EMPLOYEE WHO PERFORMS MONEY TRANSMISSION SERVICES TO EITHER:

(I) UNDERSTAND AND SIGN THE FORM, CREATED UNDER SUBSECTION (1) OF THIS SECTION, AFFIRMING KNOWLEDGE OF THE MONEY LAUNDERING LAWS PRIOR TO THE EMPLOYEE PERFORMING SUCH SERVICES; OR

(II) RECEIVE TRAINING THAT COVERS THE MONEY LAUNDERING LAWS WITHIN THIRTY DAYS BEFORE THE EMPLOYEE PERFORMS SUCH SERVICES.

(b) THE AGENT SHALL MAINTAIN A RECORD OF EACH EMPLOYEE ALONG WITH THE SIGNED NOTICE OR EVIDENCE OF TRAINING IN COMPLIANCE WITH PARAGRAPH (a) OF

THIS SUBSECTION (2) SO LONG AS THE EMPLOYEE PROVIDES SUCH SERVICES. THE RECORDS MAY BE MAINTAINED IN AN ELECTRONIC OR DIGITAL FORMAT THAT REPRODUCES THE SIGNATURE ON THE DOCUMENTS BY THE AGENT.

12-52-204. Records. THE INFORMATION SENT TO THE BANKING BOARD UNDER SECTION 12-52-201 AND THE RECORDS REQUIRED BY SECTION 12-52-203 SHALL BE OPEN TO ANY LAW ENFORCEMENT OFFICER ACTING WITHIN THE SCOPE AND COURSE OF THE OFFICER'S OFFICIAL DUTIES.

12-52-205. Agent requirements. (1) NO MONEY TRANSMITTER LICENSED PURSUANT TO PART 1 OF THIS ARTICLE SHALL KNOWINGLY CONTRACT WITH AN AGENT OR OWNER OF AN AGENT HOLDING MORE THAN A TEN PERCENT INTEREST IN THE BUSINESS WHO HAS BEEN CONVICTED OF OR PLEADED GUILTY OR NOLO CONTENDERE TO THE OFFENSES IN ARTICLE 5 OF TITLE 18, C.R.S., OR IN SECTION 18-18-408, C.R.S.; A FELONY IN THE SELLING OR ISSUING OF EXCHANGE OR IN MONEY TRANSMISSION; A FELONY INVOLVING A FINANCIAL INSTITUTION; OR AN EQUIVALENT CRIME OUTSIDE COLORADO.

(2) NO AGENT OF A MONEY TRANSMITTER LICENSED PURSUANT TO THIS ARTICLE SHALL KNOWINGLY EMPLOY A PERSON TO PERFORM MONEY TRANSMISSION SERVICES WHO HAS BEEN CONVICTED OF OR PLEADED GUILTY OR NOLO CONTENDERE TO THE OFFENSES IN ARTICLE 5 OF TITLE 18, C.R.S., OR IN SECTION 18-18-408, C.R.S.; A FELONY IN THE SELLING OR ISSUING OF EXCHANGE OR IN MONEY TRANSMISSION; A FELONY INVOLVING A FINANCIAL INSTITUTION; OR AN EQUIVALENT CRIME OUTSIDE COLORADO.

12-52-206. Violations. (1) A PERSON WHO VIOLATES THIS PART 2 COMMITS A CLASS 2 MISDEMEANOR AND, FOR THE SECOND OR ANY SUBSEQUENT OFFENSE, THE PERSON COMMITS A CLASS 1 MISDEMEANOR AND SHALL BE PUNISHED AS PROVIDED IN SECTION 18-1.3-501, C.R.S.

(2) A PERSON WHO ACTS AS AN AGENT OF AN UNLICENSED PERSON REQUIRED TO BE LICENSED BY PART 1 OF THIS ARTICLE KNOWING THE UNLICENSED PERSON DOES NOT HOLD SUCH LICENSE COMMITS A CLASS 2 MISDEMEANOR AND SHALL BE PUNISHED AS PROVIDED IN SECTION 18-1.3-501, C.R.S.

SECTION 3. Appropriation. In addition to any other appropriation, there is hereby appropriated, out of any moneys in the division of banking cash fund created in section 11-102-403, Colorado Revised Statutes, not otherwise appropriated, to the department of regulatory agencies, for allocation to the division of banking, for the fiscal year beginning July 1, 2010, the sum of twenty-three thousand one hundred twenty-four dollars (\$23,124) cash funds and 0.5 FTE, or so much thereof as may be necessary, for the implementation of this act.

SECTION 4. Specified effective date - applicability. This act shall take effect July 1, 2010, and shall apply to acts committed on or after said date.

SECTION 5. Safety clause. The general assembly hereby finds, determines, and declares that this act is necessary for the immediate preservation of the public peace, health, and safety.

Approved: May 5, 2010