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State of Minnesota

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HOUSE OF REPRESENTATIVES

EIGHTY-SEVENTH SESSION

H. F. No. 343

02/03/2011 Authored by Atkins, Hoppe, Sanders, Mahoney, Lillie and others
The bill was read for the first time and referred to the Committee on Commerce and Regulatory Reform
03/05/2012 Adoption of Report: Pass as Amended and Read Second Time

1.1 A bill for an act
1.2 relating to commerce; regulating money transmitters; requiring cooperation in
1.3 combatting fraud; amending Minnesota Statutes 2010, section 53B.18; proposing
1.4 coding for new law in Minnesota Statutes, chapter 53B.

1.5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

1.6 Section 1. Minnesota Statutes 2010, section 53B.18, is amended to read:

1.7 53B.18 PROHIBITED PRACTICES.

1.8 No licensee shall:

1.9 (1) fail to comply with chapter 345 as it relates to unclaimed property requirements;

1.10 (2) refuse to indemnify an instrument holder for any misappropriation of money
1.11 caused by any of its authorized delegates in conducting activities on behalf of the licensee
1.12 for whom it acts as an authorized delegate; or

1.13 (3) fail to transmit all money received for wire transmission in accordance with the
1.14 purchaser's instructions within five days; or

1.15 (4) fail to comply with section 53B.27.

1.16 Sec. 2. [53B.27] MONEY TRANSMITTERS; COOPERATION REQUIRED
1.17 IN COMBATTING FRAUD.

1.18 Subdivision 1. Fraud prevention measures required. Each money transmitter
1.19 shall:

1.20 (1) provide a clear, concise, and conspicuous consumer fraud warning on all
1.21 transmittal forms used by consumers;

1.22 (2) provide consumer fraud prevention training for agents involved with transmittals;

1.23 (3) monitor agent activity relating to consumer transmittals; and

2.1 (4) establish a toll-free number for consumers to call to report fraud or suspected  
2.2 fraud.

2.3 Subd. 2. **Voluntary disqualification by customer.** A money transmitter that  
2.4 originates money transfers in this state must allow an individual to voluntarily disqualify  
2.5 the individual from sending or receiving money transfers. The disqualification lasts for  
2.6 one year, unless the individual requests that it be in effect for a period longer than one  
2.7 year. The individual may terminate the disqualification at any time upon written notice  
2.8 to the money transmitter.