

**SENATE  
STATE OF MINNESOTA  
NINETY-FOURTH SESSION**

**S.F. No. 4838**

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DATE  
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Introduction and first reading  
Referred to Commerce and Consumer Protection

OFFICIAL STATUS

1.1 A bill for an act  
1.2 relating to commerce; requiring verification for foreign remittance transfers;  
1.3 providing civil and criminal penalties; amending Minnesota Statutes 2024, section  
1.4 53B.50; proposing 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 2024, section 53B.50, is amended to read:

1.7 **53B.50 RECORDS.**

1.8 (a) A licensee must maintain the following records, for purposes of determining the  
1.9 licensee's compliance with this chapter, for at least three years:

1.10 (1) a record of each outstanding money transmission obligation sold;

1.11 (2) a general ledger posted at least monthly containing all asset, liability, capital, income,  
1.12 and expense accounts;

1.13 (3) bank statements and bank reconciliation records;

1.14 (4) records of outstanding money transmission obligations;

1.15 (5) records of each outstanding money transmission obligation paid within the three-year  
1.16 period;

1.17 (6) a list of the last known names and addresses of all of the licensee's authorized  
1.18 delegates; ~~and~~

1.19 (7) records of the documentation used to verify that the sender of a foreign remittance  
1.20 transfer is lawfully present in the United States, as defined in section 53B.521;

2.1 (8) records of penalties paid under section 53B.521, including the date and amount of  
 2.2 each foreign remittance transfer and the name, date of birth, and address of each sender;  
 2.3 and

2.4 ~~(7)~~ (9) any other records the commissioner reasonably requires by administrative rule.

2.5 (b) The items specified in paragraph (a) may be maintained in any form of record.

2.6 (c) The records specified in paragraph (a) may be maintained outside of Minnesota if  
 2.7 the records are made accessible to the commissioner upon seven business-days' notice that  
 2.8 is sent in a record.

2.9 (d) All records maintained by the licensee as required under paragraphs (a) to (c) are  
 2.10 open to inspection by the commissioner under section 53B.33, paragraph (a).

2.11 **Sec. 2. [53B.521] FOREIGN REMITTANCE TRANSFERS.**

2.12 Subdivision 1. Definitions. (a) For purposes of this section, the following terms have  
 2.13 the meanings given.

2.14 (b) "Foreign remittance transfer" means a remittance transfer, as defined in United States  
 2.15 Code, title 15, section 1693o-1, to a recipient who is located in a country other than the  
 2.16 United States.

2.17 (c) "Lawfully present" has the meaning given in Code of Federal Regulations, title 45,  
 2.18 section 155.20.

2.19 Subd. 2. Verification required. (a) A licensee is prohibited from initiating a foreign  
 2.20 remittance transfer unless the licensee has verified that the sender is lawfully present in the  
 2.21 United States.

2.22 (b) A sender is required to provide one form of documentation to the licensee to verify  
 2.23 the sender is lawfully present in the United States. A licensee must only accept:

2.24 (1) a REAL ID;

2.25 (2) a driver's license or identification card that:

2.26 (i) complies with all REAL ID Act requirements;

2.27 (ii) is not designated as temporary or limited term; and

2.28 (iii) is current or has been expired for five years or less;

2.29 (3) a valid, unexpired United States passport, including a passport booklet or passport  
 2.30 card, issued by the United States Department of State;

3.1 (4) a certified copy of a birth certificate, issued by a government bureau of vital statistics  
3.2 or equivalent agency in the applicant's state of birth, which must bear the raised or authorized  
3.3 seal of the issuing government entity;

3.4 (5) a consular report of birth abroad, certification of report of birth, or certification of  
3.5 birth abroad issued by the United States Department of State, Form FS-240, Form DS-1350,  
3.6 or Form FS-545, as applicable;

3.7 (6) a valid, unexpired permanent resident card issued by the United States Department  
3.8 of Homeland Security or the former Immigration and Naturalization Service of the United  
3.9 States Department of Justice, Form I-551. If the Form I-551 validity period has been  
3.10 automatically extended by the United States Department of Homeland Security, the  
3.11 permanent resident card is deemed unexpired regardless of the expiration date listed;

3.12 (7) a foreign passport with an unexpired temporary Form I-551 stamp or a temporary  
3.13 Form I-551 printed notation on a machine-readable immigrant visa with a United States  
3.14 Department of Homeland Security admission stamp within the validity period;

3.15 (8) a United States Department of Homeland Security Form I-94 or Form I-94A with a  
3.16 photograph and an unexpired temporary Form I-551 stamp;

3.17 (9) a United States Department of State Form DS-232 with a United States Department  
3.18 of Homeland Security admission stamp and validity period;

3.19 (10) a certificate of naturalization issued by the United States Department of Homeland  
3.20 Security, Form N-550 or Form N-570;

3.21 (11) a certificate of citizenship issued by the United States Department of Homeland  
3.22 Security, Form N-560 or Form N-561;

3.23 (12) an unexpired employment authorization document issued by the United States  
3.24 Department of Homeland Security, Form I-766 or Form I-688B. If the Form I-766 validity  
3.25 period has been automatically extended by the United States Department of Homeland  
3.26 Security, the employment authorization document is deemed unexpired regardless of the  
3.27 expiration date listed;

3.28 (13) a valid, unexpired passport issued by a foreign country and a valid, unexpired United  
3.29 States visa accompanied by documentation of the applicant's most recent lawful admittance  
3.30 into the United States; or

3.31 (14) a document designated by the United States Department of Homeland Security  
3.32 under Code of Federal Regulations, title 6, part 37.11(c)(1)(x).

4.1 (c) A document provided under paragraph (b) must be legible and unaltered.

4.2 (d) The licensee must provide confirmation of verification on forms prescribed by the  
4.3 commissioner. The licensee must submit all required forms to the commissioner no later  
4.4 than the 15th day of the month following the close of each calendar quarter.

4.5 Subd. 3. **Right to file a complaint.** (a) A person who has good faith belief that a licensee  
4.6 is failing to comply with this section may file a complaint with the commissioner.

4.7 (b) A person who knowingly files a false or frivolous complaint under this subdivision,  
4.8 including any complaint that violates federal law, commits a misdemeanor.

4.9 (c) Upon receiving a valid complaint substantiated by evidence of a violation of this  
4.10 section, the commissioner must notify the licensee of the complaint and direct the licensee  
4.11 to pay a penalty pursuant to this section.

4.12 Subd. 4. **Audits.** (a) The commissioner must conduct random quarterly audits of licensees  
4.13 to ensure compliance with this section.

4.14 (b) A licensee is required to produce records used to verify that each sender of a foreign  
4.15 remittance transfer is lawfully present in the United States.

4.16 (c) The division must not audit a licensee more than once every two years unless an  
4.17 audit within the last six months found the licensee did not comply with this section.

4.18 Subd. 5. **Penalties.** (a) A licensee must pay a penalty equal to 25 percent of the United  
4.19 States dollar amount transferred, excluding fees or charges imposed by the licensee for a  
4.20 foreign remittance transfer initiated in violation of this section.

4.21 (b) The licensee must remit penalties owed under this section to the commissioner  
4.22 quarterly. The licensees must include with the remittance the forms required by the  
4.23 commissioner.