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State of Minnesota

HOUSE OF REPRESENTATIVES

EIGHTY-EIGHTH SESSION

H. F. No. 3016

03/12/2014 Authored by Clark

The bill was read for the first time and referred to the Committee on Commerce and Consumer Protection Finance and Policy

1.1 A bill for an act
1.2 relating to commerce; providing that Minnesota-chartered financial institutions
1.3 are not liable for illegal actions of money transmitters licensed in this state;
1.4 amending Minnesota Statutes 2012, section 53B.27, by adding a subdivision.

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

1.6 Section 1. Minnesota Statutes 2012, section 53B.27, is amended by adding a
1.7 subdivision to read:

1.8 Subd. 8. **Illegal activity by money transmitters; state-chartered financial**
1.9 **institutions not liable.** Notwithstanding any other provision of the laws of this state
1.10 to the contrary, a bank, credit union, or other financial institution licensed in this state
1.11 is not liable for any illegal activity engaged in by a money transmitter licensed as a
1.12 money transmitter in this state, unless the bank, credit union, or other financial institution
1.13 participated in the illegal activity with knowledge of its illegality.

1.14 **EFFECTIVE DATE.** This section is effective the day following final enactment.