

**DRAFT ONLY  
NOT APPROVED FOR  
INTRODUCTION**

HOUSE BILL NO.

Wyoming Money Transmitters Act-amendments.

Sponsored by: Joint Minerals, Business & Economic  
Development Interim Committee

A BILL

for

1 AN ACT relating to trade and commerce; amending definitions  
2 applicable to the Wyoming Money Transmitters Act; amending  
3 actions and entities exempted from the act; amending fees,  
4 bonds and security requirements; clarifying application  
5 procedures; repealing definitions of the act; specifying  
6 applicability; and providing for an effective date.

7

8 *Be It Enacted by the Legislature of the State of Wyoming:*

9

10 **Section 1.** W.S. 40-22-102(a)(ii), (xiii) and (xv), 40-  
11 22-104(a)(vi) and (viii), 40-22-106(a), 40-22-108(f), (g),

1 (h)(ii)(intro), (j) and (k), 40-22-111(a) and 40-22-115(b)  
2 are amended to read:

3

4 **40-22-102. Definitions.**

5

6 (a) As used in this act:

7

8 (ii) "Authorized delegate" means an entity  
9 designated by the licensee to engage in the business of  
10 ~~transmitting~~ money transmission on behalf of a licensee;

11

12 (xiii) "Money transmission" means to engage in  
13 business to sell or issue payment instruments, ~~stored value~~  
14 or receive money or monetary value for transmission to a  
15 location within or outside the United States by any and all  
16 means, including but not limited to wire, facsimile or  
17 electronic transfer;

18

19 (xv) "Payment instrument" means any electronic  
20 or written check, draft, money order, travelers check or  
21 other electronic or written instrument or order for the  
22 transmission or payment of money, sold or issued to one (1)  
23 or more persons, whether or not the instrument is

1 negotiable. "Payment instrument" shall include prepaid  
 2 access as defined in 31 C.F.R. 1010.100(ww). For purposes  
 3 of this act, stored value shall be deemed equivalent to  
 4 prepaid access. The term "payment instrument" does not  
 5 include any credit card voucher, any letter of credit or  
 6 any instrument which is redeemable by the issuer in goods  
 7 or services;

8

9 \*\*\*\*\*  
 10 \*\*\*\*\*  
 11 STAFF COMMENT  
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- 13 • 31 C.F.R. 1010.100(ww) is in the definitions associated  
 14 with the rules for the Financial Crimes Enforcement  
 15 Network. That subsection follows:

16  
 17       "(ww) Prepaid access. Access to funds or the value of  
 18 funds that have been paid in advance and can be retrieved  
 19 or transferred at some point in the future through an  
 20 electronic device or vehicle, such as a card, code,  
 21 electronic serial number, mobile identification number, or  
 22 personal identification number."

- 23  
 24       ○ The Committee may wish to consider whether the  
 25 federal-regulation definition should be included in  
 26 the statutory definition of "payment instrument"  
 27 instead of the reference to the federal regulation  
 28 itself.

- 29  
 30 • Given the use of "stored value" in the definition of  
 31 "payment instrument," the Committee may wish to consider  
 32 whether the definition of stored value should remain in  
 33 the bill draft (it is repealed in Section 2).

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1           **40-22-104. Exemptions; applicability.**

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3           (a) This act shall not apply to:

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5                     (vi) Buying, selling, issuing, or taking custody  
6 of payment instruments ~~or stored value~~ in the form of  
7 virtual currency or receiving virtual currency for  
8 transmission to a location within or outside the United  
9 States by any means;

10

11                     (viii) A person engaged in the business of money  
12 transmission under this act that does not meet the  
13 definition of a money services business under 31 C.F.R.  
14 1010.100(ff) ~~., as amended as of January 1, 2020.~~

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16           \*\*\*\*\*  
17                                     \*\*\*\*\*

18                                     **STAFF COMMENT**

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20           **The Legislature enacted paragraph (viii) above in the 2020**  
21 **Budget Session through a bill that this Committee**  
22 **sponsored. See 2020 Wyo. Session Laws, Ch. 52. The full**  
23 **definition in 31 C.F.R. 1010.100(ff) is included as an**  
24 **attachment.**

25

26           **In summary, that section of the Code of Federal Regulations**  
27 **defines "money services business" for purposes of the**  
28 **federal Bank Secrecy Act. Among other exclusions, this**  
29 **definition excludes persons who:**

30

- 1       • Exchange currency for any other person in an amount
- 2 equal to or less than \$1,000 on any day in one or more
- 3 transactions;
- 4       • Cash checks in an amount equal to or less than
- 5 \$1,000 for any person on any day in one or more
- 6 transactions;
- 7       • Issue, sell or redeem traveler’s checks or money
- 8 orders in an amount equal to or less than \$1,000 to any
- 9 person on any day in one or more transactions;
- 10       • Provide prepaid access products equal to or less
- 11 than \$1,000 on any day;
- 12       • Provide closed-loop prepaid access products in an
- 13 amount equal to or less than \$2,000 on any day.

14  
15 Persons exempt from this definition are not required to  
16 register as a money services business with the federal  
17 Financial Crimes Enforcement Network (FinCen).

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19 \*\*\*\*\*  
20 \*\*\*\*\*  
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22       40-22-106. Bond or other security device.

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24       (a) ~~Each application shall be accompanied by~~ A surety  
25 bond, irrevocable letter of credit or other similar  
26 security device acceptable to the commissioner shall be  
27 provided with a license application or upon approval of the  
28 application, as determined by the applicant. An application  
29 without a security device may be conditionally approved by  
30 the commissioner pending receipt of the security device.  
31 The surety bond, irrevocable letter of credit or other  
32 security device shall be in the amount of ten thousand

1 dollars (\$10,000.00) or two and one-half (2½) times the  
2 outstanding payment instruments, whichever is greater, not  
3 to exceed five hundred thousand dollars (\$500,000.00). The  
4 commissioner may increase the required amount of the ~~bond~~  
5 ~~or~~ security device up to ~~a~~ the maximum ~~of five hundred~~  
6 ~~thousand dollars (\$500,000.00)~~ amount authorized by this  
7 subsection upon the basis of the impaired financial  
8 condition of a licensee as evidenced by a reduction in net  
9 worth, financial losses or other relevant criteria. The  
10 security device shall be in a form satisfactory to the  
11 commissioner and shall run to the state for the benefit of  
12 any claimants against the licensee to secure the faithful  
13 performance of the obligations of the licensee with respect  
14 to the receipt, handling, transmission and payment of money  
15 in connection with the sale and issuance of payment  
16 instruments or transmission of money. In the case of a  
17 bond, the aggregate liability of the surety in no event  
18 shall exceed the principal sum of the bond. Claimants  
19 against the licensee may bring suit directly on the  
20 security device or the commissioner may bring suit on  
21 behalf of the claimants either in one (1) action or in  
22 successive actions.

23

1           **40-22-108. Application for license.**

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3           (f) The commissioner may determine the content of  
4 application forms and the means by which an applicant  
5 applies for, renews or amends a license under this act.  
6 The ~~administrator~~commissioner may allow applicants to  
7 utilize the registry or an entity designated by the  
8 registry for the processing of applications and fees.

9

10          (g) In order to fulfill the purposes of this act, the  
11 ~~administrator~~commissioner may establish relationships or  
12 contract with the registry or any other entity designated  
13 by the registry to collect and maintain records and process  
14 transaction fees or other fees related to licensees or  
15 other persons subject to this act.

16

17          (h) In connection with an application for licensing  
18 the applicant shall, at a minimum, furnish the commissioner  
19 or the registry information concerning the identity of the  
20 applicant, the owners or persons in charge of the applicant  
21 and individuals designated in charge of the applicant's  
22 places of business, including:

23

1           (ii) Personal history and experience, including  
2 the submission of authorization for the registry or the  
3 ~~administrator~~commissioner to obtain:

4  
5           (j) For the purposes of this section and in order to  
6 reduce the points of contact which the federal bureau of  
7 investigation may have to maintain for purposes of  
8 paragraph (h)(i) of this section and subparagraph  
9 (h)(ii)(B) of this section, the ~~administrator~~commissioner  
10 may use the registry as a channeling agent for requesting  
11 information from and distributing information to the  
12 department of justice or any governmental agency.

13  
14           (k) For the purposes of this section and in order to  
15 reduce the points of contact which the ~~administrator~~  
16 commissioner may have to maintain for purposes of paragraph  
17 (h)(ii) of this section, the ~~administrator~~commissioner may  
18 use the registry as a channeling agent for requesting and  
19 distributing information to and from any source as directed  
20 by the ~~administrator~~commissioner.

21

22           **40-22-111. Renewal of license and annual report.**

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1           (a) Each license issued under this act shall expire  
 2 on December 31. The license shall be renewed annually not  
 3 later than December 1. Each licensee shall pay an annual  
 4 renewal fee ~~not to exceed two thousand dollars (\$2,000.00),~~  
 5 ~~plus not more than one hundred dollars (\$100.00) for each~~  
 6 ~~authorized delegate and subdelegate not to exceed seven~~  
 7 ~~thousand dollars (\$7,000.00),~~ as set by rule of the  
 8 commissioner.

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 11 \*\*\*\*\*

STAFF COMMENT

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 14 The Committee may wish to consider providing in W.S. 40-22-  
 15 111(a) that fees shall be set in accordance with W.S. 33-1-  
 16 201, provided below:

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18           **33-1-201. Fees generally.**

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 20           (a) Except as otherwise specifically provided by  
 21 statute, a board or commission authorized to establish  
 22 examination, inspection, permit or license fees for any  
 23 profession or occupation regulated under this title or  
 24 under title 23 shall establish those fees in accordance  
 25 with the following:

26  
 27                   (i) Fees shall be established by rule or  
 28 regulation promulgated in accordance with the Wyoming  
 29 Administrative Procedure Act;

30  
 31                   (ii) Fees shall be established in an amount to  
 32 ensure that, to the extent practicable, the total revenue  
 33 generated from the fees collected approximates, but does  
 34 not exceed, the direct and indirect costs of administering  
 35 the regulatory provisions required for the profession or  
 36 occupation under this title;

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(iii) The board or commission shall maintain records sufficient to support the fees charged.

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**40-22-115. Examinations.**

(b) Each licensee or person subject to examination or investigation under this act shall pay to the commissioner an amount assessed by the commissioner to cover the direct ~~and indirect~~ cost of examinations or investigations conducted pursuant to this section.

**Section 2.** W.S. 40-22-102(a)(vii) and (xviii) is repealed.

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**STAFF COMMENT**

**This act repeals two definitions from the Wyoming Money Transmitters Act:**

**40-22-102. Definitions.**

(a) As used in this act:

~~(vii) "Electronic instrument" means a card or other tangible object for the transmission or payment of money which contains a microprocessor chip, magnetic stripe or other means for the storage of information that is~~

1 ~~prefunded and for which the value is decremented upon each~~  
2 ~~use, but does not include a card or other tangible object~~  
3 ~~that is redeemable by the issuer in goods or services;~~

4  
5 ~~(xviii) "Stored value" means monetary value that~~  
6 ~~is evidenced by an electronic record;~~

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8 \*\*\*\*\*  
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11 **Section 3.** This act shall apply to all applications  
12 filed for the 2022 licensing year and to all examinations  
13 conducted on or after January 1, 2022.

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17 **STAFF COMMENT**

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19 The Committee may wish to consider whether "renewals"  
20 should be expressly specified in Section 3 above.

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22 \*\*\*\*\*  
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25 **Section 4.** This act is effective July 1, 2021.

26  
27 (END)