

1 State of Arkansas
2 89th General Assembly
3 Regular Session, 2013
4

A Bill

SENATE BILL 786

5 By: Senator J. Key
6 By: Representative Perry
7

For An Act To Be Entitled

9 AN ACT TO AMEND THE UNIFORM MONEY SERVICES ACT; AND
10 FOR OTHER PURPOSES.
11

Subtitle

14 TO AMEND THE UNIFORM MONEY SERVICES ACT.
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16

17 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:
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19 SECTION 1. Arkansas Code § 23-55-102, concerning definitions of the
20 Uniform Money Services Act, is amended to add an additional subdivision to
21 read as follows:

22 (21) "Prepaid access" means access to funds or the value of
23 funds that have been paid in advance that can be retrieved or transferred in
24 the future through an electronic device or vehicle, including without
25 limitation a card, code, electronic serial number, mobile identification
26 number, or personal identification number.
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28 SECTION 2. Arkansas Code § 23-55-103(4), concerning exclusions of the
29 Uniform Money Services Act, is amended to read as follows:

30 (4) a bank, bank holding company, office of an international
31 banking corporation, branch of a foreign bank, corporation organized pursuant
32 to the Bank Service ~~Corporation~~ Company Act, 12 U.S.C. §§ 1861-1867 (Supp. V
33 1999), or corporation organized under the Edge Act, 12 U.S.C. §§ 611-633
34 (1994 & Supp. V 1999) under the laws of a State or the United States if it
35 does not issue, sell, or provide payment instruments, ~~or~~ stored value, or
36 prepaid access through an authorized delegate that is not such a person;



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2 SECTION 3. Arkansas Code § 23-55-103(9), concerning exclusions of the
3 Uniform Money Services Act, is amended to read as follows:

4 (9) an operator of a payment system to the extent that it
5 provides processing, clearing, or settlement services, between or among
6 persons excluded by this section, in connection with wire transfers, credit
7 card transactions, debit card transactions, stored-value transactions,
8 automated clearing house transfers, ~~and~~ similar funds transfers, or prepaid
9 access;

10
11 SECTION 4. Arkansas Code § 23-55-202(b)(7) and (8), concerning
12 application for a license under the Uniform Money Services Act, are amended
13 to read as follows:

14 (7) a sample form of contract for authorized delegates, if
15 applicable, and a sample form of payment instrument or instrument upon which
16 stored value or prepaid access is recorded, if applicable;

17 (8) the name and address of any bank through which the
18 applicant's payment instruments, ~~and~~ stored value, or prepaid access will be
19 paid;

20
21 SECTION 5. Arkansas Code § 23-55-204(d), concerning security under the
22 Uniform Money Services Act, is amended to read as follows:

23 (d) A surety bond must cover claims for so long as the commissioner
24 specifies, but for at least five years after the licensee ceases to provide
25 money services in this State. However, the commissioner may permit the amount
26 of security to be reduced or eliminated before the expiration of that time to
27 the extent the amount of the licensee's payment instruments or stored-value
28 and prepaid access obligations outstanding in this State is reduced.

29
30 SECTION 6. Arkansas Code § 23-55-206(b)(1), concerning license renewal
31 under the Uniform Money Services Act, is amended to read as follows:

32 (1) the number and monetary amount of payment instruments, ~~and~~
33 stored-value, and prepaid access sold by the licensee in this State which
34 have not been included in a renewal report and the monetary amount of payment
35 instruments, ~~and~~ stored value, and prepaid access currently outstanding;

36

1 SECTION 7. Arkansas Code § 23-55-605(a), concerning examination records
2 under the Uniform Money Services Act, is amended to read as follows:

3 (a) A licensee shall maintain the following records for determining
4 its compliance with this chapter for at least three years:

5 (1) a record of each payment instrument or stored-value or
6 prepaid access obligation sold;

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

9 (3) bank statements and bank reconciliation records;

10 (4) records of outstanding payment instruments and stored-value
11 and prepaid access obligations;

12 (5) records of each payment instrument and stored-value and
13 prepaid access obligation paid within the three-year period;

14 (6) a list of the last known names and addresses of all of the
15 licensee's authorized delegates; and

16 (7) any other records the commissioner reasonably requires by
17 rule.

18
19 SECTION 8. Arkansas Code § 23-55-701 is amended to read as follows:
20 23-55-701. Maintenance of permissible investments.

21 (a) A licensee shall maintain at all times permissible investments
22 that have a market value computed in accordance with generally accepted
23 accounting principles of not less than the aggregate amount of all of its
24 outstanding payment instruments and stored value and prepaid access
25 obligations issued or sold in all states and money transmitted from all
26 states by the licensee.

27 (b) The commissioner, with respect to any licensees, may limit the
28 extent to which a type of investment within a class of permissible
29 investments may be considered a permissible investment, except for money and
30 certificates of deposit issued by a bank. The commissioner by rule may
31 prescribe or by order allow other types of investments that the commissioner
32 determines to have a safety substantially equivalent to other permissible
33 investments.

34 (c) Permissible investments, even if commingled with other assets of
35 the licensee, are held in trust for the benefit of the purchasers and holders
36 of the licensee's outstanding payment instruments and stored value and

1 prepaid access obligations in the event of bankruptcy or receivership of the
2 licensee.

3
4 SECTION 9. Arkansas Code § 23-55-1006 is amended to read as follows:
5 23-55-1006. ~~Transition year~~ License terms.

6 ~~(a)~~ Effective January 1, 2012:

7 (1) a license for a money transmission issued or renewed under
8 this chapter shall expire on December 31 of each year unless it is terminated
9 by surrender, abandonment, a change of employment, or order of the
10 commissioner; and

11 (2) a license for a currency exchange issued or renewed under
12 this chapter shall expire on December 31 every 2 years unless it is
13 terminated by surrender, abandonment, a change of employment, or order of the
14 commissioner.

15 ~~(b) A license in effect on December 31, 2011, that is scheduled to~~
16 ~~expire during the 2012 calendar year shall continue until the stated~~
17 ~~expiration date of the license unless it is terminated by surrender,~~
18 ~~abandonment, a change of employment, or order of the commissioner.~~

19 ~~(c) For the transition year 2012:~~

20 ~~(1) a license issued or renewed after July 1, 2012, shall be~~
21 ~~charged $\frac{1}{2}$ of the license or renewal fees prescribed in §§ 23-55-202(d) and~~
22 ~~23-55-206(a) and $\frac{1}{4}$ of the license or renewal fees prescribed by §§ 23-55-~~
23 ~~402(b) and 23-55-404(a); and~~

24 ~~(2) a license issued or renewed during calendar year 2012 shall~~
25 ~~terminate on December 31, 2012.~~