

**Second Regular Session  
Sixty-seventh General Assembly  
STATE OF COLORADO**

**PREAMENDED**

*This Unofficial Version Includes Committee  
Amendments Not Yet Adopted on Second Reading*

LLS NO. 10-0039.01 Jery Payne

**HOUSE BILL 10-1114**

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**HOUSE SPONSORSHIP**

**Liston,**

**SENATE SPONSORSHIP**

**(None),**

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**House Committees**

Business Affairs and Labor  
Appropriations

**Senate Committees**

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**A BILL FOR AN ACT**

101     **CONCERNING THE REGISTRATION OF AGENTS OF PERSONS IN THE**  
102             **BUSINESS OF TRANSMITTING MONEY, AND MAKING AN**  
103             **APPROPRIATION THEREFOR.**

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**Bill Summary**

*(Note: This summary applies to this bill as introduced and does not reflect any amendments that may be subsequently adopted. If this bill passes third reading in the house of introduction, a bill summary that applies to the reengrossed version of this bill will be available at <http://www.leg.state.co.us/billsummaries>.)*

Currently, money transmitters are required to be licensed but their agents are not. The bill requires the registration of money transmitter agents and sets the procedures and requirements for registration, including the following:

Shading denotes HOUSE amendment. Double underlining denotes SENATE amendment.  
Capital letters indicate new material to be added to existing statute.  
Dashes through the words indicate deletions from existing statute.

- ! Providing information to the banking board;
- ! Signing a notice of the laws governing money transmission; and
- ! Payment of a fee.

The bill authorizes the banking board to discipline a registrant, including revocation, orders, and fines, for the following:

- ! Fraud in registering;
- ! A conviction for crimes related to money transmission;
- ! Violating the bill or a rule promulgated under the bill;
- ! Failure to pay a fine under the bill; and
- ! Fraud in the business of money transmission.

The bill sets the procedures for discipline, hearings, enforcement, and judicial review. Failing to register is a class 2 misdemeanor or a class 1 misdemeanor for a subsequent violation.

The bill prohibits access to business information contained in the registration except for law enforcement purposes.

1 *Be it enacted by the General Assembly of the State of Colorado:*

2 **SECTION 1.** 11-102-305 (1) (a) (IV), Colorado Revised Statutes,  
 3 is amended, and the said 11-102-305 (1) (a) is further amended BY THE  
 4 ADDITION OF A NEW SUBPARAGRAPH, to read:

5 **11-102-305. Records.** (1) (a) Information from the records of the  
 6 division shall be revealed only to members of the banking board, except  
 7 as follows:

8 (IV) The commissioner may exchange information obtained from  
 9 money transmitters and foreign capital depositories with the United States  
 10 secretary of the treasury, or the secretary's designees, THE UNITED STATES  
 11 ATTORNEY GENERAL, OR THE ATTORNEY GENERAL'S DESIGNEE pertaining  
 12 to compliance with federal money laundering and other financial crimes  
 13 laws, including, but not limited to, the "Bank Secrecy Act", the "Right to  
 14 Financial Privacy Act of 1978", the "Money Laundering Control Act of  
 15 1986", and the "Annunzio-Wylie Anti-Money Laundering Act".

16 (V) THE COMMISSIONER MAY EXCHANGE INFORMATION AS

1 PROVIDED BY PART 2 OF ARTICLE 52 OF TITLE 12, C.R.S.

2 SECTION 2. Article 52 of title 12, Colorado Revised Statutes, is  
3 amended BY THE ADDITION OF A NEW PART to read:

4 PART 2

5 MONEY TRANSMITTER AGENTS

6 12-52-201. Agent information - rules. (1) A MONEY  
7 TRANSMITTER LICENSED PURSUANT TO PART 1 OF THIS ARTICLE SHALL  
8 ANNUALLY SEND THE FOLLOWING INFORMATION TO THE BANKING BOARD  
9 ON SUCH FORM AS IT MAY PRESCRIBE:

10 (a) THE NAME OF THE AGENT AND THE ADDRESS AND TELEPHONE  
11 NUMBER OF EACH OF THE AGENT'S OFFICES THAT ENGAGE IN THE BUSINESS  
12 OF SELLING OR ISSUING EXCHANGE OR OF MONEY TRANSMISSION;

13 (b) THE NAME, ADDRESS, AND TELEPHONE NUMBER OF EACH OF  
14 THE OWNERS OF THE APPLICANT HOLDING MORE THAN A TEN PERCENT  
15 INTEREST IN THE BUSINESS IF THE APPLICANT IS A PARTNERSHIP OR AN  
16 ENTITY CREATED PURSUANT TO TITLE 7, C.R.S.;

17 (c) THE SERVICES CONCERNING SELLING OR ISSUING EXCHANGE  
18 AND MONEY TRANSMISSION THAT ARE OFFERED BY THE AGENT AND THE  
19 LOCATIONS WHERE SUCH SERVICES ARE OFFERED;

20 (d) SUCH OTHER PERTINENT INFORMATION THAT THE BANKING  
21 BOARD MAY REQUIRE CONCERNING THE APPLICANT OR ITS DIRECTORS,  
22 TRUSTEES, OFFICERS, MEMBERS, BRANCHES, SUBSIDIARIES, AFFILIATES, OR  
23 AGENTS AS PROMULGATED BY RULE.

24 (2) THE BANKING BOARD MAY PROMULGATE RULES NECESSARY TO  
25 IMPLEMENT THIS SECTION.

26 12-52-202. Exclusive agency required. NO PERSON SHALL BE AN  
27 AGENT OF MORE THAN ONE BUSINESS LICENSED PURSUANT TO PART 1 OF

1 THIS ARTICLE.

2 **12-52-203. Notice of laws.** (1) THE BANKING BOARD SHALL  
3 PROMULGATE RULES TO CREATE A FORM CONTAINING A NOTICE OF THE  
4 CONTENTS OF SECTION 18-18-408, C.R.S., AND OTHER STATE AND  
5 FEDERAL LAWS CONCERNING MONEY LAUNDERING.

6 (2) AN AGENT OF A BUSINESS LICENSED PURSUANT TO PART 1 OF  
7 THIS ARTICLE SHALL REQUIRE EACH EMPLOYEE WHO PERFORMS MONEY  
8 TRANSMISSION SERVICES TO UNDERSTAND AND SIGN THE FORM, CREATED  
9 UNDER SUBSECTION (1) OF THIS SECTION, AFFIRMING KNOWLEDGE OF THE  
10 MONEY LAUNDERING LAWS PRIOR TO THE EMPLOYEE PERFORMING SUCH  
11 SERVICES. THE AGENT SHALL MAINTAIN A RECORD OF EACH EMPLOYEE  
12 ALONG WITH THE SIGNED NOTICE SO LONG AS THE EMPLOYEE PROVIDES  
13 SUCH SERVICES. THE RECORDS MAY BE MAINTAINED IN AN ELECTRONIC OR  
14 DIGITAL FORMAT THAT REPRODUCES THE SIGNATURE ON THE DOCUMENTS  
15 BY THE AGENT.

16 **12-52-204. Records.** THE INFORMATION SENT TO THE BANKING  
17 BOARD UNDER SECTION 12-52-201 AND THE RECORDS REQUIRED BY  
18 SECTION 12-52-203 SHALL BE OPEN TO ANY LAW ENFORCEMENT OFFICER  
19 ACTING WITHIN THE SCOPE AND COURSE OF THE OFFICER'S OFFICIAL  
20 DUTIES.

21 **12-52-205. Agent requirements.** (1) NO MONEY TRANSMITTER  
22 LICENSED PURSUANT TO PART 1 OF THIS ARTICLE SHALL KNOWINGLY  
23 EMPLOY AN AGENT WHO HAS BEEN CONVICTED OF OR PLEADED GUILTY OR  
24 NOLO CONTENDERE TO THE OFFENSES IN ARTICLE 5 OF TITLE 18, C.R.S., OR  
25 IN SECTION 18-18-408, C.R.S.; A FELONY IN THE SELLING OR ISSUING OF  
26 EXCHANGE OR IN MONEY TRANSMISSION; A FELONY INVOLVING A  
27 FINANCIAL INSTITUTION; OR AN EQUIVALENT CRIME OUTSIDE COLORADO.

1 (2) NO AGENT OF A MONEY TRANSMITTER LICENSED PURSUANT TO  
2 THIS ARTICLE SHALL KNOWINGLY EMPLOY A PERSON TO PERFORM MONEY  
3 TRANSMISSION SERVICES WHO HAS BEEN CONVICTED OF OR PLEADED  
4 GUILTY OR NOLO CONTENDERE TO THE OFFENSES IN ARTICLE 5 OF TITLE 18,  
5 C.R.S., OR IN SECTION 18-18-408, C.R.S.; A FELONY IN THE SELLING OR  
6 ISSUING OF EXCHANGE OR IN MONEY TRANSMISSION; A FELONY INVOLVING  
7 A FINANCIAL INSTITUTION; OR AN EQUIVALENT CRIME OUTSIDE  
8 COLORADO.

9 (3) NO AGENT OF A MONEY TRANSMITTER LICENSED PURSUANT TO  
10 THIS PART 2 SHALL KNOWINGLY EMPLOY A PERSON TO PERFORM MONEY  
11 TRANSMISSION SERVICES WHO IS UNDER EIGHTEEN YEARS OF AGE.

12 **12-52-206. Violations.** (1) A PERSON WHO VIOLATES THIS PART  
13 2 COMMITS A CLASS 2 MISDEMEANOR AND, FOR THE SECOND OR ANY  
14 SUBSEQUENT OFFENSE, THE PERSON COMMITS A CLASS 1 MISDEMEANOR  
15 AND SHALL BE PUNISHED AS PROVIDED IN SECTION 18-1.3-501, C.R.S.

16 (2) A PERSON WHO ACTS AS AN AGENT OF AN UNLICENSED PERSON  
17 REQUIRED TO BE LICENSED BY PART 1 OF THIS ARTICLE KNOWING THE  
18 UNLICENSED PERSON DOES NOT HOLD SUCH LICENSE COMMITS A CLASS 2  
19 MISDEMEANOR AND SHALL BE PUNISHED AS PROVIDED IN SECTION  
20 18-1.3-501, C.R.S.

21 **SECTION 3. Appropriation.** In addition to any other  
22 appropriation, there is hereby appropriated, out of any moneys in the  
23 division of banking cash fund created in section 11-102-403, Colorado  
24 Revised Statutes, not otherwise appropriated, to the department of  
25 regulatory agencies, for allocation to the division of banking, for the  
26 fiscal year beginning July 1, 2010, the sum of twenty-three thousand one  
27 hundred twenty-four dollars (\$23,124) cash funds and 0.5 FTE, or so

1 much thereof as may be necessary, for the implementation of this act.

2           **SECTION 4. Specified effective date - applicability.** This act  
3 shall take effect July 1, 2010, and shall apply to acts committed on or  
4 after said date.

5           **SECTION 5. Safety clause.** The general assembly hereby finds,  
6 determines, and declares that this act is necessary for the immediate  
7 preservation of the public peace, health, and safety.