

LLS NO. 13-0170_AMENDMENT # 1
 SUNSET COMMITTEE AMENDMENT
 Committee on Business, Labor, and Technology.
 BY SENATOR MORSE
LLS No. 13-0170 be amended as follows:

1 Amend LLS No. 13-0170, page 3, line 25, strike everything after "~~issued~~"
 2 and substitute "~~by the licensee~~ BUSINESS OF MONEY TRANSMISSION".

3 Page 3, line 26, strike "licensee".

4 Page 4, line 17, after "**amend**" insert "(1) (a), (2) (a), and".

5 Page 4, line 20 strike everything after the period and substitute
 6 "(1) (a) The commissioner may examine the books and records of a
 7 licensee using risk-based criteria and considering other available
 8 regulatory mechanisms as directed by the ~~banking~~ board; shall make and
 9 file ~~in~~ WITH the ~~office of the commissioner~~ DIVISION OF BANKING a
 10 correct report in detail disclosing the results of ~~such~~ THE examination; and
 11 shall mail a copy of ~~such~~ THE report to the licensee examined. If the
 12 licensee's records are located outside this state, the licensee shall, at the
 13 option of ~~such licensee~~ THE COMMISSIONER, either make them available
 14 to the commissioner at a convenient location within this state or pay the
 15 reasonable and necessary expenses for the commissioner or the
 16 commissioner's representative to examine them at the place where they
 17 are maintained. The commissioner may designate representatives,
 18 including comparable officials of the state in which the records are
 19 located, to inspect them on behalf of the commissioner. For ~~such~~ THE
 20 examination, the commissioner shall charge a fee in an amount set by the
 21 ~~banking~~ board pursuant to section 11-102-104 (11), C.R.S. If any licensee
 22 refuses to permit the commissioner to make an examination, ~~such~~ THE
 23 licensee ~~shall be~~ IS subject to such penalty as the commissioner may
 24 assess, not in excess of one ~~hundred~~ THOUSAND dollars for each day ~~any~~
 25 ~~such~~ THE refusal ~~shall continue~~ CONTINUES.

26 (2) (a) Every licensee shall file an annual financial statement with
 27 the commissioner, audited by an independent certified public accountant
 28 or an independent registered accountant, within one hundred fifty days
 29 following the close of the licensee's fiscal year. ~~Such~~ THE financial
 30 statements ~~shall~~ MUST include a balance sheet, a profit and loss statement,
 31 and a statement of retained earnings of the licensee and the licensee's
 32 agents and subagents resulting from ~~selling or issuing exchange~~ MONEY
 33 TRANSMISSION under this article. The financial statements ~~shall~~ MUST be
 34 accompanied by copies of the engagement and management letters issued



1 by the independent auditor.
2 (b) Every licensee".

3 Page 5, strike lines 17 and 18 and substitute:
4 "SECTION 6. In Colorado Revised Statutes, **amend** 12-52-103
5 as follows:"

6 Page 5, after line 20 insert:

7 "(1) "AGENT" MEANS A PERSON AUTHORIZED BY WRITTEN
8 AGREEMENT AND DESIGNATED BY THE LICENSEE TO ACT ON BEHALF OF A
9 LICENSEE UNDER THIS ARTICLE.

10 (2) "APPLICANT" MEANS A PERSON FILING AN APPLICATION OR
11 RENEWAL APPLICATION FOR A LICENSE UNDER THIS ARTICLE.

12 ~~(1)~~ (3) "Banking board" or "board" means the banking board
13 created in section 11-102-103, C.R.S.

14 ~~(1.5)~~ (4) "Commissioner" means the state bank commissioner
15 appointed and serving pursuant to section 11-102-101 (2), C.R.S."

16 Page 5, line 21, strike "(1.6)" and substitute "(5)".

17 Page 6, after line 6 insert:

18 "(6) "ELECTRONIC INSTRUMENT" MEANS A CARD OR OTHER
19 TANGIBLE OBJECT FOR THE TRANSMISSION OR PAYMENT OF MONEY,
20 INCLUDING A STORED VALUE CARD OR DEVICE, THAT CONTAINS A
21 MICROPROCESSOR CHIP, MAGNETIC STRIPE, OR OTHER MEANS FOR STORAGE
22 OF INFORMATION, THAT IS PREFUNDED AND FOR WHICH THE VALUE IS
23 DECREMENTED UPON EACH USE, BUT DOES NOT INCLUDE A CARD OR OTHER
24 TANGIBLE OBJECT THAT IS REDEEMABLE BY THE ISSUER FOR THE ISSUER'S
25 GOODS AND SERVICES.

26 ~~(1.7)~~ (7) "Engagement letter" means a letter that sets the scope and
27 terms of an independent audit.

28 ~~(2) "Exchange" means any check, draft, money order, or other
29 instrument for the transmission or payment of money or credit. It does not
30 mean money or currency of any nation."~~

31 Page 6, line 7, strike "(2.5)" and substitute "(8)".

32 Page 6, after line 10 insert:

33 "(9) "INSOLVENT" MEANS THAT, APPEARING UPON EXAMINATION
34 OF ANY LICENSEE OR ITS AGENT, ITS LIABILITIES EXCEEDS ITS ASSETS OR
35 IT CANNOT MEET ITS OBLIGATIONS IN THE USUAL AND ORDINARY COURSE



1 OF BUSINESS FOR ANY REASON.

2 ~~(3) "Issuing" means the act of drawing any instrument of~~
3 ~~exchange by a person who engages in the business of drawing such~~
4 ~~instruments as a service or for a fee or other consideration.~~

5 ~~(4) (10) "Licensee" means any person duly licensed by the~~
6 ~~banking board pursuant to the provisions of this article.~~

7 ~~(4.1) (11) "Management letter" means a letter, written by the~~
8 ~~auditor to the management of a licensee, reporting the auditor's findings~~
9 ~~and suggestions resulting from an independent audit.~~

10 ~~(4.2) (12) "Managing official" means a person who has significant~~
11 ~~oversight duties over a licensee or applicant as determined by the board.~~

12 (13) "MONETARY VALUE" MEANS A MEDIUM OF EXCHANGE
13 WHETHER OR NOT REDEEMABLE IN MONEY.

14 ~~(4.3) (14) "Money transmission" means the sale or issuance of~~
15 ~~exchange or engaging in the business of receiving money for transmission~~
16 ~~or transmitting MONETARY VALUE TO TRANSMIT, DELIVER, OR INSTRUCT~~
17 ~~TO BE TRANSMITTED OR DELIVERED money within the United States or~~
18 ~~MONETARY VALUE to locations abroad INSIDE OR OUTSIDE THE UNITED~~
19 ~~STATES by any and all means including but not limited to payment~~
20 ~~instrument, wire, facsimile, or electronic transfer, OR ISSUING STORED~~
21 ~~VALUE.~~

22 ~~(4.5) (15) "Outstanding payment instrument" means any exchange~~
23 ~~sold or A PAYMENT INSTRUMENT issued by a licensee or any exchange~~
24 ~~issued by the licensee which THAT has been sold by an agent of the~~
25 ~~licensee OR ISSUED in the United States which DIRECTLY BY THE LICENSEE~~
26 ~~OR ANY PAYMENT INSTRUMENT ISSUED BY THE LICENSEE THAT HAS BEEN~~
27 ~~SOLD BY AN AGENT OF THE LICENSEE IN THE UNITED STATES THAT has~~
28 ~~been reported to the licensee as having been sold and which THAT has not~~
29 ~~yet been paid by or for the licensee ISSUER.~~

30 ~~(4.7) (16) "Owner" means a person with an ownership interest in~~
31 ~~a licensee or applicant that is a sole proprietorship or partnership.~~

32 (17) "PAYMENT INSTRUMENT" MEANS A CHECK, DRAFT, MONEY
33 ORDER, TRAVELER'S CHECK, OR OTHER INSTRUMENT FOR THE
34 TRANSMISSION OR PAYMENT OF MONEY OR MONETARY VALUE, WHETHER
35 OR NOT NEGOTIABLE. THE TERM DOES NOT INCLUDE A CREDIT CARD
36 VOUCHER, LETTER OF CREDIT, OR INSTRUMENT THAT IS REDEEMABLE BY
37 THE ISSUER IN GOODS OR SERVICES.

38 ~~(5) (18) "Person" means any natural person, firm, association,~~
39 ~~partnership, registered limited liability partnership, syndicate, joint stock~~
40 ~~company, unincorporated company or association, limited liability~~
41 ~~company, common law trust, or any corporation organized under the laws~~



1 of the United States or of any state or territory of the United States or of
2 any foreign country.

3 (6) (19) "Principal member" means a person who has a significant
4 ownership interest in a licensee or applicant that is an association, trust,
5 or limited liability company or similar entity, as determined by the board.

6 (7) (20) "Principal shareholder" means a person who has a
7 significant ownership interest in a corporate licensee or applicant.

8 (8) (21) "Significant ownership interest" means an ownership
9 interest that causes the owner to have significant control of a licensee or
10 applicant as determined by the board.

11 (22) "STORED VALUE" MEANS MONETARY VALUE THAT IS
12 EVIDENCED BY AN ELECTRONIC RECORD.

13 (23) "UNSAFE OR UNSOUND PRACTICE" MEANS A PRACTICE OR
14 CONDUCT BY A PERSON LICENSED TO PROVIDE MONEY TRANSMISSION, OR
15 AN AGENT OF SUCH A PERSON, WHICH CREATES THE LIKELIHOOD OF
16 MATERIAL LOSS, INSOLVENCY, OR DISSIPATION OF THE LICENSEE'S ASSETS,
17 OR OTHERWISE MATERIALLY PREJUDICES THE FINANCIAL CONDITION OF
18 THE LICENSEE OR INTERESTS OF ITS CUSTOMERS."

19 Page 8, line 5, strike "12-52-107,".

20 Page 8, line 6, strike "(2)" and substitute "12-52-107".

21 Page 8, line 7, strike everything after "rules." and substitute "(1)(a) Each
22 approved applicant shall furnish a corporate surety bond in the principal
23 sum of one million dollars, except as otherwise provided in this
24 subsection (1). THE SURETY BOND MUST BE by a bonding company or
25 insurance company authorized to do business in this state, in which the
26 applicant is named as obligor, to be approved by the banking board,
27 ~~which shall run~~ THAT RUNS to the state of Colorado for the use and
28 benefit of the state and of any creditor of the licensee for any liability
29 incurred on any ~~exchange issued~~ MONEY TRANSMISSION by the licensee.
30 The bond ~~shall~~ MUST be conditioned that the obligor will faithfully
31 conform to and abide by ~~the provisions of~~ this article and will honestly
32 and faithfully apply all funds received for the performance of all
33 obligations and undertakings for ~~exchange issued and sold~~ MONEY
34 TRANSMISSION under this article and will pay to the state and to any
35 person all money that becomes due and owing to the state or to such
36 person under ~~the provisions of~~ this article because of any ~~exchange sold~~
37 ~~or issued~~ MONEY TRANSMISSION by such licensee. The bond ~~shall remain~~
38 REMAINS in force and effect until the surety is released from liability by



1 the banking board or until THE SURETY CANCELS the bond, is cancelled by
2 the surety, which cancellation may be had only upon ninety days' written
3 notice to the banking board. Such THE cancellation shall DOES not affect
4 any liability incurred or accrued prior to the termination of the ninety-day
5 period. If the banking board finds, at any time, any bond to be exhausted,
6 THE LICENSEE SHALL FILE a replacement bond in an equal amount shall be
7 filed by the licensee within thirty days after written demand therefor.

8 (b) The banking board shall by rule establish financial standards
9 by which to evaluate the financial condition or solvency of licensees and
10 for the bond amount set under paragraph (a) of this subsection (1) to be
11 decreased to not less than two hundred fifty thousand dollars, following
12 application by the licensee and an opportunity for hearing before the
13 banking board, in such amounts as necessary up to the amount provided
14 in paragraph (a) of this subsection (1) to protect purchasers of exchange
15 PAYMENT INSTRUMENTS OR ELECTRONIC INSTRUMENTS.

16 (c) The banking board shall by rule establish financial standards
17 by which to evaluate the financial condition or solvency of licensees and
18 for the bond amount to be increased above the amount provided in
19 paragraph (a) of this subsection (1) if the banking board determines,
20 following notice to the licensee and an opportunity for hearing before the
21 banking board, that the customers of such licensees are at undue risks, but
22 in no case shall the total bond required of a licensee be greater than two
23 million dollars. In promulgating such rules, the banking board shall utilize
24 and adopt generally accepted accounting principles for the evaluation and
25 determination of the financial condition of licensees.

26 (2) (a) In lieu of".

27 Page 9, after line 11 insert:

28 "(3) In addition to the bond required under subsection (1) of this
29 section, the commissioner, pursuant to rules promulgated by the banking
30 board, may require a licensee to possess investments having an aggregate
31 market value, COMPUTED IN ACCORDANCE WITH GENERALLY ACCEPTED
32 ACCOUNTING PRINCIPLES, THAT IS at least equal to the amount of ALL
33 outstanding payment instruments AND STORED VALUE OBLIGATIONS issued
34 or sold by the licensee. For the purposes of this subsection (3),
35 permissible investments shall be ARE:

36 (a) Cash;

37 (b) Certificates of deposit or other SENIOR debt obligations of a
38 financial institution either domestic or foreign AN INSURED DEPOSITORY
39 INSTITUTION, AS DEFINED IN SECTION 3 OF THE "FEDERAL DEPOSIT
40 INSURANCE ACT", 12 U.S.C. SEC. 1813;



1 (c) BANKER'S ACCEPTANCE OR bills of exchange ~~or time drafts~~
2 ~~drawn on and accepted by federally insured financial depository~~
3 ~~institutions~~ THAT ARE ELIGIBLE FOR PURCHASE UPON ENDORSEMENT BY A
4 MEMBER BANK OF THE FEDERAL RESERVE SYSTEM AND ARE ELIGIBLE FOR
5 PURCHASE BY A FEDERAL RESERVE BANK;

6 (d) Any investment bearing a rating of one of the three highest
7 grades as defined by a nationally recognized organization that rates such
8 securities;

9 (e) Investment securities that are obligations of the United States,
10 its agencies, DEPARTMENTS, or instrumentalities THEREOF, or obligations
11 that are guaranteed fully as to principal and interest ~~of~~ BY the United
12 States, or any obligations of any state, municipality, or any political
13 subdivision thereof;

14 (f) Shares in a money market mutual fund, interest-bearing bills
15 or notes or bonds, debentures, or stock traded on any national securities
16 exchange or on a national over-the-counter market; EXCEPT THAT THE
17 AGGREGATE AMOUNT OF INVESTMENTS UNDER THIS PARAGRAPH (f) MUST
18 NOT EXCEED TWENTY PERCENT OF THE TOTAL PERMISSIBLE INVESTMENTS
19 OF A LICENSEE AND THE LICENSEE SHALL NOT HOLD, AT ONE TIME,
20 INVESTMENTS UNDER THIS PARAGRAPH (f) IN ANY ONE PERSON
21 AGGREGATING MORE THAN TEN PERCENT OF THE LICENSEE'S TOTAL
22 PERMISSIBLE INVESTMENTS;

23 (g) Such other investments as may be approved by the ~~banking~~
24 board.

25 (4) It is the intent of the general assembly that in applying the
26 provisions of this section, the purpose of the required bond and
27 permissible investments is to protect the Colorado purchasers of
28 ~~exchange, and the amount of the bond and investments that are required~~
29 ~~of any licensee should not be more than is necessary to afford such~~
30 ~~protection given the financial condition of the licensee as determined~~
31 ~~under generally accepted accounting principles~~ PAYMENT INSTRUMENTS
32 OR ELECTRONIC INSTRUMENTS.

33 (5) Permissible investments, even if commingled with other assets
34 of the licensee, shall be deemed by operation of law to be held in trust for
35 the benefit of the purchasers and holders of the licensee's outstanding
36 payment instruments in the event of ~~the~~ INSOLVENCY OR bankruptcy of the
37 licensee."

38 Page 9, line 14, strike "(3)" and substitute "(3); and **repeal** (4)"

39 Page 9, line 15, strike "an" and substitute "**an** A COMPLETE".



1 Page 9, line 15, strike "application," and substitute "application AND
2 LICENSE FEE," and strike "applicant." and substitute "**applicant**
3 APPLICANT'S COMPETENCE, EXPERIENCE, CHARACTER, FINANCIAL
4 CONDITION, AND RESPONSIBILITY."

5 Page 9, line 17, strike everything after "applicant".

6 Page 9, line 18, strike "financially responsible" and substitute "~~is of good~~
7 ~~moral~~ HAS THE character, ~~and financially responsible~~ COMPETENCE,
8 EXPERIENCE, FINANCIAL CONDITION, AND RESPONSIBILITY".

9 Page 10, after line 11 insert:

10 "~~(4) A license shall not be issued to an applicant if an owner,~~
11 ~~principal shareholder, principal member, director, trustee, officer, or other~~
12 ~~managing official:~~

13 ~~(a) Submitted a license application under this article that was false~~
14 ~~or misleading as a result of an untrue statement of a material fact or an~~
15 ~~omission to state a material fact unless the applicant did not know, and in~~
16 ~~the exercise of reasonable care should not have known, of the untruth or~~
17 ~~omission;~~

18 ~~(b) Willfully violated or willfully failed to comply with this article~~
19 ~~or a rule promulgated or order issued under this article;~~

20 ~~(c) Within the past ten years, entered a plea of guilty or nolo~~
21 ~~contendere to, or was convicted of, a felony or misdemeanor involving a~~
22 ~~breach of fiduciary duty or fraud; or~~

23 ~~(d) Is subject to a temporary or permanent injunction for violating~~
24 ~~a state or federal law regulating the financial services industry, including,~~
25 ~~but not limited to, federal provisions regarding money laundering,~~
26 ~~record-keeping, and registration.~~

27 **SECTION 10.** In Colorado Revised Statutes, **amend** 12-52-103.5
28 as follows:

29 **12-52-103.5. Applicability of powers of banking board and**
30 **bank commissioner to money transmission.** The powers, duties, and
31 functions of the ~~banking~~ board and the commissioner contained in article
32 102 of title 11, C.R.S., and the declaration of policy contained in section
33 11-101-102, C.R.S., ~~shall apply to the provisions of this article.~~ For the
34 purposes of this section and section 11-102-104, C.R.S., the ~~banking~~
35 board ~~shall have~~ HAS the same powers, duties, and functions concerning
36 a violation of this article or a rule issued pursuant to this article as the
37 board has concerning a violation of the "Colorado Banking Code", a
38 statute, or a rule issued pursuant to that code.

1 **SECTION 11.** In Colorado Revised Statutes, **amend** 12-52-105
2 as follows:

3 **12-52-105. Exemptions.** (1) Nothing in this article ~~shall apply~~
4 APPLIES to:

5 (a) Departments or agencies of the United States of America,
6 INCLUDING THE UNITED STATES POST OFFICE OR A CONTRACTOR ACTING
7 ON BEHALF OF THE UNITED STATES POST OFFICE;

8 (b) ~~or to any~~ A state or municipal government;

9 (c) ~~or to corporations organized under the general banking,~~
10 ~~savings and loan, or credit union laws of this state or of the United States,~~
11 ~~or to the receipt of money by an incorporated telegraph or cable company~~
12 ~~at any office or agency thereof for immediate transmission by telegraph~~
13 ~~or cable.~~ BANKS, BANK HOLDING COMPANIES, CREDIT UNIONS, BUILDING
14 AND LOAN ASSOCIATIONS, SAVINGS AND LOAN ASSOCIATIONS, SAVINGS
15 BANKS, OR MUTUAL BANKS ORGANIZED UNDER THE LAWS OF ANY STATE
16 OR THE UNITED STATES IF THEY DO NOT ISSUE OR SELL PAYMENT
17 INSTRUMENTS THROUGH AN AGENT THAT IS NOT A BANK, BANK HOLDING
18 COMPANY, CREDIT UNION, BUILDING AND LOAN ASSOCIATION, SAVINGS
19 AND LOAN ASSOCIATION, SAVINGS BANK, OR MUTUAL BANK; OR

20 (d) THE ELECTRONIC TRANSFER OF GOVERNMENT BENEFITS FOR A
21 FEDERAL, STATE, OR COUNTY GOVERNMENTAL AGENCY, AS DEFINED IN
22 FEDERAL RESERVE BOARD REGULATION E, 12 CFR 205, BY A CONTRACTOR
23 FOR AND ON BEHALF OF THE UNITED STATES, A DEPARTMENT, AGENCY, OR
24 INSTRUMENTALITY OF THE UNITED STATES, OR A STATE OR POLITICAL
25 SUBDIVISION THEREOF.

26 **SECTION 12.** In Colorado Revised Statutes, 12-52-106, **amend**
27 (1) introductory portion, (1) (a), (1) (d), (1) (d.5), and (2) as follows:

28 **12-52-106. Application for license.** (1) Application for a license
29 ~~shall~~ MUST be made in writing, under oath, to the ~~banking~~ board on such
30 form as it may prescribe. The application ~~shall~~ MUST:

31 (a) State the name of the applicant, ~~and~~ the address of ~~his~~ ITS
32 principal office, AND ANY FICTITIOUS OR TRADE NAME USED BY THE
33 APPLICANT IN CONDUCTING ITS BUSINESS;

34 (d) If the applicant has one or more branches, subsidiaries,
35 affiliates, agents, or other locations at or through which the applicant
36 proposes to engage in the business of ~~issuing checks, drafts, money~~
37 ~~orders, or other instruments for the transmission, or payment of money or~~
38 ~~credit~~, state the name and address of each such location;

39 (d.5) Contain a set of fingerprints for each of the owners, principal
40 shareholders, principal members, directors, trustees, officers, or other
41 managing officials. The commissioner shall forward the fingerprints AND



1 PAYMENT FOR THE COSTS to the Colorado bureau of investigation for the
2 purpose of obtaining a fingerprint-based criminal history record check.
3 Upon receipt of fingerprints and payment for the costs, the Colorado
4 bureau of investigation shall conduct a state and national
5 fingerprint-based criminal history record check utilizing records of the
6 Colorado bureau of investigation and the federal bureau of investigation.
7 The board shall be the authorized agency to receive information regarding
8 the result of any national criminal history record check. ~~Only~~ The actual
9 costs of ~~such~~ THE record check ~~shall be borne~~ ARE INCLUDED IN THE
10 LICENSING FEES THAT ARE SUBMITTED by the applicant WITH THE
11 APPLICATION.

12 (2) Each application for a license ~~shall~~ MUST be accompanied by
13 financial statements of the applicant and ~~a~~ THE REQUIRED SURETY bond
14 in the form and the amount specified in this article.

15 **SECTION 13.** In Colorado Revised Statutes, **amend** 12-52-109
16 as follows:

17 **12-52-109. Issuance of license - renewal - fee.** (1) Before any
18 license is issued, and annually thereafter ~~on or~~ before January 1 of each
19 succeeding year, the applicant or licensee ~~shall~~ MUST SUBMIT AN
20 APPLICATION IN A FORM PRESCRIBED BY THE COMMISSIONER AND pay to
21 the ~~banking~~ board a license fee in an amount set by the ~~banking~~ board
22 pursuant to section 11-102-104 (11), C.R.S. ~~For each license originally~~
23 ~~issued between July 1 and December 31 of any year, the applicant shall~~
24 ~~pay one-half the annual fee required in this section.~~ Each license ~~shall~~
25 ~~expire~~ EXPIRES on January 1 unless the LICENSEE HAS SUBMITTED A
26 RENEWAL APPLICATION IN A FORM PRESCRIBED BY THE COMMISSIONER
27 AND PAID THE annual fee for the year ~~has been paid~~ prior to such date.

28 (2) ~~Beginning July 1, 1977,~~ Before any license may be renewed,
29 the licensee ~~shall be required to~~ MUST provide the same amount of bond
30 coverage or securities for deposit as an initial applicant under section
31 12-52-107.

32 (3) IF AN APPLICANT FAILS TO MEET THE ANNUAL RENEWAL
33 DEADLINE, TO CONTINUE IN THE BUSINESS OF MONEY TRANSMISSION THE
34 FORMER LICENSEE MUST SUBMIT AN APPLICATION UNDER SECTION 12-52-
35 106 TO REINSTATE ITS LICENSE.

36 **SECTION 14.** In Colorado Revised Statutes, **amend** 12-52-110.5
37 as follows:

38 **12-52-110.5. Compliance with federal law.** (1) Each licensee
39 AND ITS AGENTS shall:

40 (a) Comply with state and federal money laundering laws,
41 including ~~but not limited to,~~ the federal "Bank Secrecy Act", 12 U.S.C.



1 sec. 1951 et seq. AND 31 CFR CHAPTER X; AND

2 (b) FILE ALL REPORTS REQUIRED BY FEDERAL CURRENCY
3 REPORTING, RECORD-KEEPING, AND SUSPICIOUS TRANSACTION REPORTING
4 REQUIREMENTS SET FORTH IN 31 U.S.C. SEC. 5311 AND 31 CFR CHAPTER
5 X, FOR EVERY TRANSACTION IN THIS STATE.

6 **SECTION 15.** In Colorado Revised Statutes, 12-52-112, **amend**
7 (2) as follows:

8 **12-52-112. Revocation or surrender of license.** (2) After ~~such~~
9 A hearing the banking board may revoke any license issued under this
10 article if it finds that:

11 (a) The licensee has failed to maintain the required bond; ~~or~~

12 (b) The licensee has failed to comply with any order, decision, or
13 finding of the banking board or the commissioner made pursuant to this
14 article; ~~or~~

15 (c) The licensee has violated any provision of this article; ~~or~~

16 (d) Facts exist ~~which~~ THAT would have warranted the ~~banking~~
17 board's refusal to issue the original license; ~~or~~

18 (e) The licensee is engaged in a business a substantial portion of
19 which involves the processing, manufacture, or purchase and sale of
20 commodities or articles of tangible personal property and ~~such~~ THE
21 licensee has failed to maintain constantly a separate bank deposit account
22 or accounts for the exclusive ~~payment of exchange issued~~ TRANSMISSION
23 OF MONEY by such licensee; ~~or~~

24 (f) ~~The licensee has sold or issued exchange without receiving~~
25 ~~payment for the face value of the exchange prior to the time of such sale~~
26 ~~or issuance.~~ THE LICENSEE ENGAGES IN FRAUD, INTENTIONAL
27 MISREPRESENTATION, OR GROSS NEGLIGENCE;

28 (g) THE LICENSEE ENGAGES IN AN UNSAFE OR UNSOUND PRACTICE;

29 (h) THE LICENSEE IS INSOLVENT; OR

30 (i) THE COMPETENCE, EXPERIENCE, CHARACTER, OR GENERAL
31 FITNESS OF THE LICENSEE INDICATES THAT IT IS NOT IN THE PUBLIC
32 INTEREST TO PERMIT THE LICENSEE TO CONTINUE TO CONDUCT BUSINESS.

33 **SECTION 16.** In Colorado Revised Statutes, 12-52-115.5,
34 **amend** (1) (a) as follows:

35 **12-52-115.5. Civil remedies - restraining orders - injunctions.**

36 (1) (a) If the board has cause to believe that a person has ~~sold or issued~~
37 ~~exchange or~~ transmitted money without a license issued under this article,
38 ~~52~~, the board may obtain from the district court of the city and county of
39 Denver a temporary restraining order or a preliminary or permanent
40 injunction prohibiting the person from violating this article. In ~~such~~ THE
41 action, the board ~~shall~~ IS NOT ~~be~~ required to plead or prove irreparable



1 injury or the inadequacy of the remedy at law.

2 **SECTION 17.** In Colorado Revised Statutes, 12-52-116, **amend**
3 (1) and (3) (a) as follows:

4 **12-52-116. Notice - banking board - consumers.** (1) The
5 licensee or ~~such~~ THE licensee's agents or subagents shall give notice to the
6 ~~banking~~ board, by certified mail, of any legal action ~~which shall be~~ THAT
7 HAS BEEN brought against the licensee and of any judgment ~~which shall~~
8 ~~be~~ THAT HAS BEEN entered against ~~such~~ THE licensee by any creditor or
9 claimant relating to ~~selling or issuing exchange or~~ transmitting money
10 under this article, together with details sufficient to identify the action or
11 judgment, within ten days after the commencement of any such action or
12 notice to the licensee of entry of any such judgment. Within ten days after
13 it pays any claim of judgment to any such creditor or such claimant, the
14 corporate surety shall give notice to the ~~banking~~ board, by certified mail,
15 of ~~such~~ THE payment, together with details sufficient to identify the
16 claimant or creditor and the claim or judgment so paid.

17 (3) (a) Except for a money ~~exchange or~~ transmission conducted
18 at a branch of a federally insured depository institution, a licensee shall
19 post and maintain at its establishment a notice advising the customer that
20 ~~the selling or issuing of exchange~~ MONEY TRANSMISSION is regulated by
21 the division of banking and that the customer may report alleged
22 violations of the law to the division of banking. ~~Such~~ THE COMMISSIONER
23 SHALL CREATE THE notice ~~shall be created and furnished~~ AND FURNISH IT
24 to the licensee. ~~by the commissioner."~~

25 Renumber succeeding sections accordingly.

** ** ** ** **

