

Committee on Banking and Insurance

CS/CS/HB 217 — Money Services Businesses

by Government Operations Appropriations Subcommittee; Insurance and Banking Subcommittee; Reps. Cummings, Oliva, and others (CS/SB 410 by Appropriations Committee and Senator Bean)

The bill provides for the establishment of a check-cashing database within the Office of Financial Regulation (OFR). The database can be used by regulators and law enforcement agencies to target and identify persons involved in workers' compensation insurance premium fraud and other criminal activities. The OFR regulates money services businesses that offer financial services, such as check cashing, money transmittals (wire transfers), sales of monetary instruments, and currency exchange outside the traditional banking environment. Currently, licensed check cashers are required to maintain specified records, such as copies of all checks cashed, and for checks exceeding \$1,000, certain transactional data in an electronic log.

The bill authorizes the OFR to issue a competitive solicitation for a statewide, real time, online check cashing database. The bill requires that check cashers, after implementation of the new database, to enter specified transactional information into the database. After completion of the competitive solicitation for the database, the OFR may include a request for funding in their FY 2014-2015 Legislative Budget Request. The bill has no fiscal impact on state government for the 2013-2014 fiscal year.

The bill also grants rulemaking authority to the Financial Services Commission to administer these provisions and requires money services businesses to submit additional information to the database.

If approved by the Governor, these provisions take effect July 1, 2013.

Vote: Senate 39-0; House 114-0