

Senate Bill No. 292

(By Senators Nohe and Gaunch)

[Introduced January 23, 2015;
referred to the Committee on Banking and Insurance;
and then to the Committee on the Judiciary.]

A BILL to amend and reenact §32A-2-4 and §32A-2-13 of the Code of West Virginia, 1931, as amended, all relating to licenses for business of currency exchange, transportation or transmission; establishing expiration date of December 31 for those licensees; and requiring licensees to provide sixty days' advance notice of any change in control or change in principals.

Be it enacted by the Legislature of West Virginia:

That §32A-2-4 and §32A-2-13 of the Code of West Virginia, 1931, as amended, be amended and reenacted, all to read as follows:

**ARTICLE 2. CHECKS AND MONEY ORDER SALES, MONEY TRANSMISSION
SERVICES, TRANSPORTATION AND CURRENCY EXCHANGE.**

§32A-2-4. License application, issuance and renewal.

1 (a) An applicant for a license shall submit an application to the commissioner on a form
2 prescribed by the commissioner. The commissioner may direct an applicant to file a license
3 application through the Nationwide Mortgage Licensing System and Registry operated by the State
4 Regulatory Registry, LLC.

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1 (b) Each application shall be accompanied by a nonrefundable application fee and a license
2 fee. If the application is approved, the application fee is the license fee for the first year of licensure.

3 (c) The commissioner shall issue a license if the commissioner finds that the applicant meets
4 the requirements of this article and the rules adopted under this article. The commissioner shall
5 approve or deny every application for an original license within one hundred twenty days from the
6 date a complete application is submitted, unless the commissioner extends the period for good cause.
7 ~~A license is valid for one year from the date the license is issued by the commissioner.~~ All licenses
8 issued under this article expire on December 31 of the year issued, unless sooner suspended or
9 revoked, and are subject to renewal for the following year.

10 (d) The licensee at each office it owns and operates in West Virginia shall prominently
11 display, or maintain available for inspection, a copy of the license authorizing the conduct of a
12 currency exchange business if the location offers and provides such services. Where the currency
13 exchange business is conducted through a licensee's authorized delegates in this state, each authorized
14 delegate location offering such services shall maintain available for inspection proof of their
15 appointment by the licensee to conduct such business.

16 (e) As a condition for renewal of a license, the licensee must submit to the commissioner an
17 application for renewal on a form prescribed by the commissioner and an annual license renewal fee.
18 The commissioner may direct an applicant to file a license renewal application through the
19 Nationwide Mortgage Licensing System and Registry operated by the State Regulatory Registry, LLC.

20 (f) A license issued under this article may not be transferred or assigned.

21 (g) An applicant for a license who is not located in this state shall file an irrevocable consent,
22 duly acknowledged, that suits and actions may be commenced against the applicant in the courts of

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1 this state by service of process upon a person located within the state designated to accept service,
2 or by service upon the Secretary of State, as well as by service as set forth in this chapter.

3 **§32A-2-13. Notification requirements.**

4 (a) A licensee shall notify the commissioner of any change in its principal place of business,
5 or its headquarters office if different from its principal place of business, within fifteen days after the
6 date of the change.

7 (b) A licensee shall notify the commissioner of any of the following significant developments
8 within fifteen days after gaining actual notice of its occurrence:

9 (1) The filing of bankruptcy or for reorganization under the bankruptcy laws;

10 (2) The institution of any enforcement action including, but not limited to, a license revocation
11 or suspension against the licensee by any other state or federal regulator;

12 (3) A felony indictment related to money transmission, currency exchange, fraud, failure to
13 fulfill a fiduciary duty or other activities of the type regulated under this article of the licensee or its
14 authorized delegates in this state, or of the licensee's or authorized delegate's officers, directors or
15 principals;

16 (4) A felony conviction or plea related to the money transmission, currency exchange, fraud,
17 failure to fulfill a fiduciary duty, or other activities of the type regulated under this article of the
18 licensee or its authorized delegates in this state, or of the licensee's or authorized delegate's officers,
19 directors or principals; and

20 (5) Any change in its business activities. ~~and~~

21 ~~(6) Any change in its principals.~~

22 (c) A licensee shall notify the commissioner of any merger or acquisition which may result

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1 in a change of control or a change in principals of a licensee ~~within fifteen~~ at least sixty days of prior
2 to the announcement or publication of the proposal, or its occurrence, whichever is earlier. Upon
3 notice of these circumstances by a corporate licensee, the commissioner may require all information
4 necessary to determine whether it results in a transfer or assignment of the license and thus if a new
5 application is required in order for the company to continue doing business under this article. A
6 licensee that is an entity other than a corporation shall in these circumstances submit a new
7 application for licensure at the time of notice.

8 (d) The commissioner may direct that the reports required by this section and any other
9 reports, data or information deemed necessary by the commissioner be filed directly with the Division
10 of Financial Institutions on a date to be determined by the commissioner or through the Nationwide
11 Mortgage Licensing System and Registry operated by the State Regulatory Registry, LLC.

(NOTE: The purpose of this bill is to establish a uniform date of December 31 for the expiration of licenses for the business of currency exchange, transportation or transmission. The bill requires licensees to provide the Division of Financial Institutions advance notice sixty days prior to any change in control or change in principals.

Strike-throughs indicate language that would be stricken from the present law, and underscoring indicates new language that would be added.)