

# **WEST VIRGINIA LEGISLATURE**

**2019 REGULAR SESSION**

**Committee Substitute**

**for**

**Senate Bill 603**

SENATOR TARR, *original sponsor*

[Originating in the Committee on Banking and  
Insurance; Reported on February 21, 2019]



1 A BILL to amend and reenact §32A-2-3 of the Code of West Virginia, 1931, as amended, relating  
2 to persons engaged in the business of currency exchange, transportation, or transmission;  
3 and adding exemptions.

*Be it enacted by the Legislature of West Virginia:*

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

**§32A-2-3. Exemptions.**

1 (a) The following are exempt from the provisions of this article:

2 (1) Banks, trust companies, foreign bank agencies, credit unions, savings banks, and  
3 savings and loan associations authorized to do business in the state or which qualify as federally  
4 insured depository institutions, whether organized under the laws of this state, any other state, or  
5 the United States;

6 (2) The United States and any department or agency of the United States;

7 (3) The United States Postal Service;

8 (4) This state and any political subdivision of this state;

9 (5) The provision of electronic transfer of government benefits for any federal, state, or  
10 county governmental agency as defined in Federal Reserve Board Regulation E, by a contractor  
11 for and on behalf of the United States or any department, agency, or instrumentality of the United  
12 States, or any state or any political subdivisions of a state;

13 (6) Persons engaged solely in the business of currency transportation who operate an  
14 armored car service in this state pursuant to licensure under §30-18-1 *et seq.* of this code:  
15 *Provided*, That the net worth of the licensee exceeds \$5 million. The term “armored car service”  
16 as used in this article means a service provided by a person transporting or offering to transport,  
17 under armed security guard, currency or other things of value in a motor vehicle specially  
18 equipped to offer a high degree of security. Persons seeking to claim this exemption shall notify

19 the commissioner of their intent to do so and demonstrate that they qualify for its use. Persons  
20 seeking an exemption under this subdivision are not exempt from the provisions of this article if  
21 they also engage in currency exchange or currency transmission;

22 (7) Persons engaged in the business of currency transportation whose activities are limited  
23 exclusively to providing services to federally insured depository institutions, or to any federal,  
24 state, or local governmental entities;

25 (8) Persons engaged solely in the business of removing currency from vending machines  
26 providing goods or services, if the machines are not used for gambling purposes or to convey any  
27 gambling ticket, token, or other device used in a game of chance;

28 (9) The State Regulatory Registry, LLC, which administers the Nationwide Mortgage  
29 Licensing System and Registry on behalf of states and federal banking regulators; ~~and~~

30 (10) The North American Securities Administrators Association and any subsidiaries,  
31 which administer the Electronic Filing Depository system on behalf of state securities regulators;  
32 and

33 (11)(A) Persons operating a payment system that provides processing, clearing, or  
34 settlement services, between or among persons who are all excluded by this section, in  
35 connection with wire transfers, credit card transactions, debit card transactions, prepaid access  
36 transactions, automated clearinghouse transfers, or similar funds transfers;

37 (B) Contracted service providers of an entity set forth in §32A-2-3(a)(1) of this code that  
38 provide processing, clearing, or settlement services in connection with wire transfers, credit card  
39 transactions, debit card transactions, prepaid access transactions, automated clearinghouse  
40 transfers, or similar funds transfers; or

41 (C) Persons facilitating payment for goods or services (not including currency transmission  
42 or money transmission itself) or bill payment pursuant to a contract with the payee and either  
43 payment to the person or persons facilitating the payment processing satisfies the payor's  
44 obligation to the payee or that obligation is extinguished.

45           (b) Any person who holds and maintains a valid license under this article may engage in  
46 the business of money transmission or currency exchange at one or more locations through or by  
47 means of an authorized delegate or delegates as set forth in §32A-2-27 of this code, as the  
48 licensee may designate and appoint from time to time. No such authorized delegate is required  
49 to obtain a separate license under this article, but the use of sub-delegates is prohibited and the  
50 authorized delegate may only conduct business on behalf of its licensee.

51           (c) The issuance and sale of stored value cards or similar prepaid products which are  
52 intended to purchase items only from the issuer or seller of the stored value card is exempt from  
53 the provisions of this article.

54           (d) Any person who is required and properly obtains a license under this article to transport  
55 currency is exempt from the requirements of §30-18-1 *et seq.* of this code.

NOTE: The purpose of this bill is to exempt certain activities from the licensing requirements for engaging in the business of currency exchange, transportation, or transmission.

Strike-throughs indicate language that would be stricken from a heading or the present law and underscoring indicates new language that would be added.