

SENATE BILL 219

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11r0013

(PRE-FILED)

By: **Chair, Finance Committee (By Request – Departmental – Labor)**

Requested: September 22, 2020

Introduced and read first time: January 13, 2021

Assigned to: Finance

Committee Report: Favorable

Senate action: Adopted

Read second time: February 3, 2021

CHAPTER _____

1 AN ACT concerning

2 **Financial Institutions – Commissioner of Financial Regulation – Money**
3 **Transmissions**

4 FOR the purpose of establishing licensing requirements for certain money transmission
5 locations; altering certain net worth requirements for certain applicants for a license
6 to engage in the business of money transmission; requiring an applicant for a license
7 to engage in the business of money transmission to provide the address of each
8 self-service financial kiosk in a certain application; specifying the licensing fee that
9 an applicant for a branch location license is required to pay; requiring an applicant
10 for a self-service financial kiosk license to submit a certain application and pay
11 certain fees; requiring certain licensees to include a notice in certain mobile
12 applications and on certain kiosks; altering the application of a provision of law
13 requiring a certain licensee to apply for a new license; repealing certain provisions
14 of law requiring certain licensees to file certain reports with the Commissioner of
15 Financial Regulation; requiring certain licensees to submit to the Nationwide
16 Mortgage Licensing System and Registry (NMLS) certain reports required by NMLS;
17 altering the period in which authorized delegates must remit funds under certain
18 circumstances; providing that licensees submit reporting required by and through
19 NMLS; repealing certain obsolete provisions of law; defining certain terms; altering
20 and repealing certain definitions; making stylistic and conforming changes; and
21 generally relating to money transmission.

22 BY repealing
23 Article – Financial Institutions

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

Underlining indicates amendments to bill.

~~Strike out~~ indicates matter stricken from the bill by amendment or deleted from the law by amendment.



- 1 Section 12–401(o) and (r)
2 Annotated Code of Maryland
3 (2020 Replacement Volume and 2020 Supplement)
- 4 BY renumbering
5 Article – Financial Institutions
6 Section 12–401(h) through (m), (n), (p), (q), (s), and (t), respectively
7 to be Section 12–401(i) through (n), (p), (q), (r), (u), and (v), respectively
8 Annotated Code of Maryland
9 (2020 Replacement Volume and 2020 Supplement)
- 10 BY repealing and reenacting, without amendments,
11 Article – Financial Institutions
12 Section 12–401(a)
13 Annotated Code of Maryland
14 (2020 Replacement Volume and 2020 Supplement)
- 15 BY adding to
16 Article – Financial Institutions
17 Section 12–401(h), (o), (s), and (t)
18 Annotated Code of Maryland
19 (2020 Replacement Volume and 2020 Supplement)
- 20 BY repealing and reenacting, with amendments,
21 Article – Financial Institutions
22 Section 12–401(n), (p), and (v)
23 Annotated Code of Maryland
24 (2020 Replacement Volume and 2020 Supplement)
25 (As enacted by Section 2 of this Act)
- 26 BY repealing and reenacting, with amendments,
27 Article – Financial Institutions
28 Section 12–404, 12–405, 12–406(a)(3), 12–407(b)(2), (f), and (h), 12–408.1,
29 12–410(e)(3), 12–411(a) and (c), 12–412(d), 12–413(a), 12–414(d), 12–415(c),
30 12–416, 12–418(a) and (b), 12–422(a), 12–425(a), 12–427, and 12–430.1
31 Annotated Code of Maryland
32 (2020 Replacement Volume and 2020 Supplement)
- 33 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,
34 That Section(s) 12–401(o) and (r) of Article – Financial Institutions of the Annotated Code
35 of Maryland be repealed.
- 36 SECTION 2. AND BE IT FURTHER ENACTED, That Section(s) 12–401(h) through
37 (m), (n), (p), (q), (s), and (t), respectively, of Article – Financial Institutions of the Annotated
38 Code of Maryland be renumbered to be Section(s) 12–401(i) through (n), (p), (q), (r), (u), and
39 (v), respectively.

1 SECTION 3. AND BE IT FURTHER ENACTED, That the Laws of Maryland read
2 as follows:

3 **Article – Financial Institutions**

4 12–401.

5 (a) In this subtitle the following words have the meanings indicated.

6 **(H) “CURRENCY” HAS THE MEANING STATED IN 31 C.F.R. § 1010.100(M).**

7 (n) (1) “Money transmission” means **ENGAGING IN** the business of selling or
8 issuing payment instruments or [stored value devices,] **PREPAID ACCESS** or receiving
9 [money or monetary value, for transmission] **CURRENCY, FUNDS, OR OTHER VALUE**
10 **THAT SUBSTITUTES FOR CURRENCY AND TRANSFERRING CURRENCY, FUNDS, OR**
11 **OTHER VALUE THAT SUBSTITUTES FOR CURRENCY to ANOTHER PERSON OR** a location
12 within or outside the United States by any means, including electronically [or], through
13 the Internet, **THROUGH A MOBILE APPLICATION, THROUGH A NETWORK OF PERSONS,**
14 **OR THROUGH AN INFORMAL VALUE TRANSFER SYSTEM.**

15 (2) “Money transmission” includes[:

16 (i) A bill payer service;

17 (ii) An accelerated mortgage payment service; and

18 (iii) Any informal money transfer system engaged in as a business
19 for, or network of persons who engage as a business in, facilitating the transfer of money
20 outside the conventional financial institutions system to a location within or outside the
21 United States] **ANY OTHER ACTIVITY THAT THE COMMISSIONER IDENTIFIES AS**
22 **MONEY TRANSMISSION BY REGULATION.**

23 **(O) (1) “MONEY TRANSMITTER” MEANS A PERSON THAT ENGAGES IN**
24 **MONEY TRANSMISSION THAT IS REQUIRED TO BE LICENSED UNDER THIS SUBTITLE,**
25 **WHETHER OR NOT THE PERSON MAINTAINS A LICENSE.**

26 **(2) “MONEY TRANSMITTER” INCLUDES:**

27 **(I) A BILL PAYER SERVICE; AND**

28 **(II) AN ACCELERATED MORTGAGE PAYMENT SERVICE.**

29 (p) “Outstanding [payment instrument] **MONEY TRANSMISSION**” means:

1 **(1) WITH RESPECT TO A PAYMENT INSTRUMENT OR PREPAID ACCESS,**
2 a payment instrument **OR PREPAID ACCESS**, that has been sold or issued in the United
3 States directly by a licensee or an authorized delegate of a licensee that has been reported
4 as not yet paid by or for the licensee; **AND**

5 **(2) WITH RESPECT TO MONEY RECEIVED FOR TRANSMISSION,**
6 **CURRENCY, FUNDS, OR OTHER VALUE THAT SUBSTITUTES FOR CURRENCY**
7 **RECEIVED BY A LICENSEE OR AN AUTHORIZED DELEGATE OF A LICENSEE THAT HAS**
8 **BEEN RECEIVED BUT NOT YET PAID TO THE BENEFICIARY.**

9 **(S) (1) “PREPAID ACCESS” MEANS ACCESS TO FUNDS OR THE VALUE OF**
10 **FUNDS THAT HAVE BEEN PAID IN ADVANCE AND CAN BE RETRIEVED OR**
11 **TRANSFERRED AT SOME POINT IN THE FUTURE THROUGH AN ELECTRONIC DEVICE**
12 **OR VEHICLE INCLUDING:**

13 **(I) A CARD;**

14 **(II) A CODE;**

15 **(III) AN ELECTRONIC SERIAL NUMBER;**

16 **(IV) A MOBILE IDENTIFICATION; OR**

17 **(V) A PERSONAL IDENTIFICATION.**

18 **(2) “PREPAID ACCESS” DOES NOT INCLUDE ACCESS TO FUNDS OR**
19 **THE VALUE OF FUNDS THAT MAY BE REDEEMED ONLY IN THE ISSUER’S GOODS OR**
20 **SERVICES.**

21 **(T) “SELF-SERVICE FINANCIAL KIOSK” MEANS A STAND-ALONE**
22 **AUTOMATED PLATFORM THROUGH WHICH A CONSUMER MAY OBTAIN MONEY**
23 **TRANSMISSION SERVICES.**

24 (v) “Unique identifier” means a number or another identifier assigned by [the
25 nationwide licensing system] **NMLS.**

26 12-404.

27 (a) All revenue received for the licensing of [persons] **MONEY TRANSMITTERS**
28 under this subtitle and any other fee, examination assessment, or revenue received by the
29 Commissioner under this subtitle shall be:

30 (1) Credited to the Nondepository Special Fund established under § 11-610
31 of this article; and

1 (2) Used in accordance with § 11–610(c) of this article.

2 (b) Notwithstanding subsection (a) of this section, the Commissioner shall pay all
3 fines and penalties collected by the Commissioner under this subtitle into the General Fund
4 of the State.

5 12–405.

6 (a) A person may not engage in the business of money transmission if that person,
7 or the person with whom that person engages in the business of money transmission, is
8 located in the State unless that person:

9 (1) Is licensed by the Commissioner;

10 (2) Is an authorized delegate of a licensee under whose name the business
11 of money transmission occurs; or

12 (3) Is a person exempted from licensing under this subtitle.

13 (b) Each licensee or license applicant shall obtain and maintain a valid unique
14 identifier issued by [the nationwide licensing system:

15 (1) On] **NMLS ON** forming an account with [the nationwide licensing
16 system on or after November 1, 2012; or

17 (2) If the Commissioner has not joined the nationwide licensing system as
18 of November 1, 2012, on or after the date that the Commissioner joins, as specified by the
19 Commissioner by public notice] **NMLS**.

20 (c) An applicant for an initial license or a license renewal shall apply for the
21 license or renewal through [the nationwide licensing system:

22 (1) On or after November 1, 2012; or

23 (2) If the Commissioner has not joined the nationwide licensing system as
24 of November 1, 2012, on or after the date that the Commissioner joins, as specified by the
25 Commissioner by public notice] **NMLS**.

26 12–406.

27 (a) To qualify for a license, an applicant shall satisfy the Commissioner that the
28 applicant:

29 (3) Has a **TANGIBLE** net worth computed according to generally accepted
30 accounting principles of at least \$150,000, plus an additional net worth of \$10,000 for each

1 additional **BRANCH** location or authorized delegate, up to a maximum of \$500,000 as
2 provided in subsection (b) of this section; and

3 12-407.

4 (b) An applicant shall provide:

5 (2) The address of the principal executive office of the applicant [and], each
6 branch location, **AND EACH SELF-SERVICE FINANCIAL KIOSK**;

7 (f) In addition to the license fee required under subsection (e) of this section, an
8 applicant for an initial license shall pay to [the nationwide licensing system] **NMLS** the
9 fee that [the nationwide licensing system] **NMLS** imposes in connection with processing
10 the application.

11 (h) (1) In addition to any license required under §§ 12-405 and 12-410 of this
12 subtitle, each [person who engages in the business of] money [transmission]
13 **TRANSMITTER** shall obtain and maintain a license for its principal executive office.

14 (2) For each branch location license for which an applicant applies, the
15 applicant shall:

16 (i) Submit a separate application;

17 (ii) Pay a separate nonrefundable license fee **OF \$1,000**; and

18 (iii) Pay the application processing fee that [the nationwide licensing
19 system] **NMLS** imposes in connection with processing the application for the branch
20 location.

21 (3) **FOR EACH SELF-SERVICE FINANCIAL KIOSK LICENSE FOR WHICH**
22 **AN APPLICANT APPLIES, THE APPLICANT SHALL:**

23 (I) **SUBMIT A SEPARATE APPLICATION;**

24 (II) **PAY A SEPARATE NONREFUNDABLE LICENSE FEE OF \$500;**

25 **AND**

26 (III) **PAY THE APPLICATION PROCESSING FEE THAT NMLS**
27 **IMPOSES IN CONNECTION WITH PROCESSING THE APPLICATION FOR THE**
28 **SELF-SERVICE FINANCIAL KIOSK.**

29 [(3)] (4) If an applicant has or is applying for more than one license, the
30 applicant may comply with subsection (g) of this section by filing evidence of only one surety
31 device.

1 ~~[(4)]~~ (5) If an applicant has or is applying for more than one license, the
2 applicant is not required to pay a separate investigation fee.

3 12-408.1.

4 (a) (1) The requirements under any federal law and Title 4, Subtitles 1
5 through 5 of the General Provisions Article regarding the privacy or confidentiality of
6 information or material provided to [the nationwide licensing system] **NMLS**, and any
7 privilege arising under federal or state law, including the rules of any federal or state court
8 with respect to that information or material, shall continue to apply to that information or
9 material after the information or material has been disclosed to [the nationwide licensing
10 system] **NMLS**.

11 (2) The information and material may be shared with all state and federal
12 regulatory officials having oversight authority over the money transmission industry,
13 including the Financial Crimes Enforcement Network, without the loss of privilege or the
14 loss of confidentiality protections provided by federal law or Title 4, Subtitles 1 through 5
15 of the General Provisions Article.

16 (b) The Commissioner may enter into information-sharing agreements with
17 other governmental agencies, the Conference of State Bank Supervisors, or other
18 associations representing governmental agencies, including the Financial Crimes
19 Enforcement Network.

20 (c) Information or material that is subject to a privilege or confidentiality under
21 subsection (a) of this section may not be subject to:

22 (1) Disclosure under any federal or state law governing the disclosure to
23 the public of information held by an officer or agency of the federal government or a state
24 that has received the information or material; or

25 (2) Subpoena, discovery, or admission into evidence, in any private civil
26 action or administrative process, unless with respect to any privilege held by [the
27 nationwide licensing system] **NMLS**, the person to whom the information or material
28 pertains waives, in whole or in part, that privilege.

29 (d) Any provisions of Title 4, Subtitles 1 through 5 of the General Provisions
30 Article relating to the disclosure of any information or material described in subsection (a)
31 of this section that are inconsistent with subsection (a) of this section shall be superseded
32 by the requirements of this section.

33 (e) This section does not apply to information or material relating to publicly
34 adjudicated disciplinary and enforcement actions against a money transmitter or its
35 authorized delegate that is included in [the nationwide licensing system] **NMLS** and
36 designated for access by the public.

1 12-410.

2 (e) (3) A licensee that offers Internet money transmission services shall
3 include the following notice on [its] **ANY website OR MOBILE APPLICATION THROUGH**
4 **WHICH THE SERVICES ARE OFFERED OR ON THE OUTSIDE OF THE**
5 **SELF-SERVICE FINANCIAL KIOSK:**

6 “The Commissioner of Financial Regulation for the State of Maryland will accept all
7 questions or complaints from Maryland residents regarding (name of licensee, license
8 number, and unique identifier) at (address of Commissioner), phone (toll-free phone
9 number of the Commissioner).”.

10 12-411.

11 (a) Subject to any regulations the Commissioner adopts in connection with the
12 transition to [the nationwide licensing system] **NMLS**, an initial license term shall:

13 (1) Begin on the day the license is issued; and

14 (2) Expire on December 31 of the year:

15 (i) The license is issued, if the license is issued before November 1;
16 or

17 (ii) Succeeding the year that the license is issued, if the license is
18 issued on or after November 1.

19 (c) In addition to the license renewal fee required under subsection (b)(3) of this
20 section, an applicant for a license renewal shall pay to [the nationwide licensing system]
21 **NMLS** the fee that [the nationwide licensing system] **NMLS** imposes in connection with
22 the renewal application.

23 12-412.

24 (d) (1) The amount of the surety bond under subsection (b) of this section or
25 the deposit in lieu of a surety bond under subsection (c) of this section shall be in an amount
26 of not less than \$150,000 and not more than \$1,000,000, as determined by the
27 Commissioner.

28 (2) In setting the amount of the surety bond or the deposit in lieu of a surety
29 bond, the Commissioner shall consider:

30 (i) The financial condition of the licensee or applicant;

31 (ii) For a licensee, the average monthly [outstanding payment

1 instruments or] outstanding money transmission liability for the previous 12 months;

2 (iii) For an applicant, the projected monthly [payment instrument
3 sales and] money transmission volume in the State, the business experience, and any other
4 factor deemed appropriate; and

5 (iv) The potential loss of [buyers and holders of payment instruments
6 or] **MONEY TRANSMISSIONS BY** persons for whom or to whom money is transmitted if the
7 applicant or licensee becomes financially impaired.

8 12-413.

9 (a) (1) Each authorized delegate that a licensee appoints under a license is the
10 designated agent of the licensee for all purposes in connection with the licensee's business
11 under that license.

12 (2) Each licensee under this subtitle is liable for the payment of all money
13 [transmitted and payment instruments sold] **TRANSMISSIONS** by the licensee, in whatever
14 form, directly or through an authorized delegate.

15 12-414.

16 (d) (1) All funds received by an authorized delegate from [the sale of a
17 payment instrument] **MONEY TRANSMISSION SERVICES**, less fees, shall constitute trust
18 funds belonging to the licensee from the time the funds are received by the authorized
19 delegate until the time when the funds are remitted to the licensee.

20 (2) If an authorized delegate commingles any of the funds received with
21 any other funds or property owned or controlled by the authorized delegate, all commingled
22 funds and other property shall be impressed with a trust in favor of the licensee in an
23 amount equal to the amount of the funds due the licensee.

24 12-415.

25 (c) In addition to any sanctions that may be imposed by the Commissioner under
26 this subtitle, a licensee who fails to provide in a timely manner the notice required under
27 subsection (a)(1) or (b)(1) of this section shall:

28 (1) For each failure, pay to the Commissioner a penalty in the amount of
29 \$500; and

30 (2) [Apply] **FOR A LICENSEE WHO FAILS TO PROVIDE THE NOTICE**
31 **REQUIRED UNDER SUBSECTION (B)(1) OF THIS SECTION IN A TIMELY MANNER, FILE**
32 **WITH THE COMMISSIONER AN APPLICATION** for a new license, together with all
33 appropriate application and investigation fees.

1 12-416.

2 [(a) Within 45 days of the end of each calendar semiannual period ending June 30
3 and December 31, the licensee shall file with the Commissioner a report that includes the
4 following information on a form that the Commissioner requires:

5 (1) An unaudited, unconsolidated financial statement, including a balance
6 sheet, income statement, statement of changes in equity, and statement of cash flows;

7 (2) A schedule of the permissible investments that the licensee holds as
8 required under §12-418 of this subtitle;

9 (3) A statement of outstanding payment instruments;

10 (4) A report of all authorized delegates that includes:

11 (i) An alphabetical list of all currently authorized delegates
12 appointed by the licensee that includes the name, business address, business phone
13 number, and business electronic mail address, if known to the licensee, of each authorized
14 delegate;

15 (ii) An alphabetical list of all authorized delegates appointed by the
16 licensee during the previous 6 months that includes the name, business address, business
17 phone number, business electronic mail address, if known to the licensee, and date of
18 appointment of each authorized delegate; and

19 (iii) An alphabetical list of all authorized delegates terminated by the
20 licensee during the previous 6 months that includes the name, business address, business
21 phone number, business electronic mail address, if known to the licensee, and date of
22 termination of each authorized delegate; and

23 (5) A statement under oath by an executive officer of the licensee certifying
24 the information to be true based on the executive officer's knowledge of the matters in the
25 report.

26 (b) On or before 120 days after the close of the fiscal year of the licensee, each
27 licensee shall file with the Commissioner an annual report that:

28 (1) Includes financial statements of the licensee audited by a certified
29 public accountant and prepared in accordance with generally accepted accounting
30 principles for the previous calendar year;

31 (2) States the number and aggregate dollar amount of payment
32 instruments issued or sold and the aggregate number and dollar amount of money
33 transmissions during the previous calendar year;

34 (3) Contains any other information the Commissioner reasonably requires;

1 (4) Is on a form that the Commissioner requires; and

2 (5) Is signed by an executive officer of the licensee who certifies under oath
3 that the information in the report is true based on the executive officer's knowledge of the
4 matters in the report.]

5 **(A) A LICENSEE SHALL SUBMIT TO NMLS A CALL REPORT ONCE EACH**
6 **QUARTER ON THE DATE, IN THE FORM, AND CONTAINING THE INFORMATION THAT**
7 **NMLS REQUIRES.**

8 **[(c)] (B)** (1) Within 15 days after the occurrence of any of the following
9 events, a licensee shall file a written report with the Commissioner describing the event
10 and its expected impact on the licensee's activities in the State:

11 (i) The filing for bankruptcy or reorganization by the licensee;

12 (ii) The institution of revocation or suspension proceedings against
13 the licensee by any state or governmental authority with regard to the licensee's money
14 transmission activities in any state;

15 (iii) Any felony indictment or conviction of the licensee or any of its
16 officers or directors related to money transmission activities;

17 (iv) The commencement of any civil action by a buyer or holder of a
18 payment instrument or person for whom or to whom money is transmitted against a
19 licensee; and

20 (v) The filing of any material litigation against the licensee.

21 (2) The written report required under paragraph (1) of this subsection shall
22 be [sent] **SUBMITTED** to the Commissioner [by certified mail, return receipt requested,
23 bearing a postmark from the United States Postal Service, within 10 days after the action
24 is begun and include details sufficient to identify the event] **THROUGH NMLS.**

25 **(C) A LICENSEE SHALL SUBMIT TO NMLS THE UNIFORM AUTHORIZED**
26 **AGENT REPORTING ONCE EACH QUARTER ON THE DATE THAT NMLS REQUIRES.**

27 (d) A licensee promptly shall file with the Commissioner any demand borrowing
28 agreement or agreements into which the licensee may enter as a permissible investment or
29 a deposit in lieu of a surety bond.

30 12-418.

31 (a) (1) Subject to [the provisions of] paragraph (2) of this subsection, a licensee
32 shall have at all times permissible investments having an aggregate market value,

1 calculated in accordance with generally accepted accounting principles, of not less than the
2 aggregate face amount of all outstanding [payment instruments issued or sold] **MONEY**
3 **TRANSMISSIONS CONDUCTED** by the licensee in the United States.

4 (2) The requirement imposed under paragraph (1) of this subsection may
5 be waived by the Commissioner if the dollar volume of a licensee's outstanding [payment
6 instruments] **MONEY TRANSMISSIONS** does not exceed the surety device filed in
7 accordance with § 12-412 of this subtitle.

8 (b) (1) **[A] EXCEPT AS PROVIDED IN PARAGRAPH (2) OF THIS**
9 **SUBSECTION, A licensee shall require each authorized delegate, within 48 hours after the**
10 **next regular business day after the authorized delegate receives the proceeds from a money**
11 **transmission, to remit the proceeds to the licensee or the licensee's authorized**
12 **representative, or deposit the proceeds in the licensee's account with a financial institution.**

13 (2) **A LICENSEE SHALL REQUIRE EACH AUTHORIZED DELEGATE WHO**
14 **SELLS PREPAID ACCESS, WITHIN 5 BUSINESS DAYS AFTER THE NEXT REGULAR**
15 **BUSINESS DAY AFTER THE AUTHORIZED DELEGATE RECEIVES THE PROCEEDS FROM**
16 **THE SALE OF PREPAID ACCESS, TO:**

17 (i) **REMIT THE PROCEEDS TO THE LICENSEE OR THE**
18 **LICENSEE'S AUTHORIZED REPRESENTATIVE; OR**

19 (ii) **DEPOSIT THE PROCEEDS IN THE LICENSEE'S ACCOUNT**
20 **WITH A FINANCIAL INSTITUTION.**

21 12-422.

22 (a) (1) A licensee may surrender a license by sending to the Commissioner a
23 written statement that the license is surrendered.

24 (2) The statement shall provide a listing, by identifying number, face
25 amount, and place of issue, of all outstanding [payment instruments] **MONEY**
26 **TRANSMISSIONS**, and the reasons for the license surrender.

27 12-425.

28 (a) Each licensee shall make and preserve the following books, accounts, and
29 records for a period of at least 3 years:

30 (1) A record of each [payment instrument sold or issued] **MONEY**
31 **TRANSMISSION CONDUCTED;**

32 (2) A general ledger containing all assets, liability, capital, income, and
33 expense accounts, which general ledger shall be posted at least monthly;

1 (3) Settlement sheets received from each authorized delegate;

2 (4) Bank statements and bank reconciliation records;

3 (5) Records of outstanding [payment instruments] **MONEY**
4 **TRANSMISSIONS**;

5 (6) Records of each [payment instrument paid] **MONEY TRANSMISSION**
6 **CONDUCTED** within the 3-year period;

7 (7) A list of the names and addresses of all the licensee's authorized
8 delegates, past and present; and

9 (8) A list of the dates that the training materials required under § 12-413.1
10 of this subtitle were provided to the licensee's authorized delegates, agents, and
11 subdelegates.

12 12-427.

13 A [person that engages in the business of] money [transmission] **TRANSMITTER** is
14 subject to the enforcement provisions of §§ 2-114 through 2-116 of this article if the
15 [person] **MONEY TRANSMITTER**:

16 (1) Is not licensed under this subtitle; or

17 (2) Is not an authorized delegate of a licensee.

18 12-430.1.

19 (a) (1) Notwithstanding Title 4, Subtitles 1 through 5 of the General
20 Provisions Article, and subject to § 12-408.1 of this subtitle, the Commissioner shall report
21 adjudicated enforcement actions against a money transmitter or its authorized delegate
22 and other relevant information to [the nationwide licensing system] **NMLS**.

23 (2) The Commissioner shall adopt regulations establishing a process by
24 which a licensee or an applicant for a license may challenge information entered by the
25 Commissioner into [the nationwide licensing system] **NMLS**.

26 (b) The Commissioner may submit to [the nationwide licensing system] **NMLS**
27 information regarding enforcement actions against [persons engaged in the] money
28 [transmission business] **TRANSMITTERS** who are not licensees or authorized delegates.

29 **SECTION 4. AND BE IT FURTHER ENACTED**, That this Act shall take effect
30 October 1, 2021.