

# HOUSE BILL 855

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

Introduced and read first time: February 3, 2020

Assigned to: Economic Matters

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## A BILL ENTITLED

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

23 BY repealing

24 Article – Financial Institutions

25 Section 12-401(o) and (r)

26 Annotated Code of Maryland

27 (2011 Replacement Volume and 2019 Supplement)

28 BY renumbering

29 Article – Financial Institutions

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EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 Section 12–401(h) through (m), (n), (p), (q), (s), and (t), respectively  
2 to be Section 12–401(i) through (n), (p), (q), (r), (u), and (v), respectively  
3 Annotated Code of Maryland  
4 (2011 Replacement Volume and 2019 Supplement)

5 BY repealing and reenacting, without amendments,  
6 Article – Financial Institutions  
7 Section 12–401(a) and 12–407(g)  
8 Annotated Code of Maryland  
9 (2011 Replacement Volume and 2019 Supplement)

10 BY adding to  
11 Article – Financial Institutions  
12 Section 12–401(h), (o), (s), and (t)  
13 Annotated Code of Maryland  
14 (2011 Replacement Volume and 2019 Supplement)

15 BY repealing and reenacting, with amendments,  
16 Article – Financial Institutions  
17 Section 12–401(n), (p), and (v)  
18 Annotated Code of Maryland  
19 (2011 Replacement Volume and 2019 Supplement)  
20 (As enacted by Section 2 of this Act)

21 BY repealing and reenacting, with amendments,  
22 Article – Financial Institutions  
23 Section 12–404, 12–405, 12–407(b), (f), and (h), 12–410(e)(3), 12–411(a) and (c),  
24 12–412(d), 12–413(a), 12–414(d), 12–415(c), 12–416, 12–418, 12–422(a),  
25 12–425, 12–427, and 12–430.1  
26 Annotated Code of Maryland  
27 (2011 Replacement Volume and 2019 Supplement)

28 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,  
29 That Section(s) 12–401(o) and (r) of Article – Financial Institutions of the Annotated Code  
30 of Maryland be repealed.

31 SECTION 2. AND BE IT FURTHER ENACTED, That Section(s) 12–401(h) through  
32 (m), (n), (p), (q), (s), and (t), respectively, of Article – Financial Institutions of the Annotated  
33 Code of Maryland be renumbered to be Section(s) 12–401(i) through (n), (p), (q), (r), (u), and  
34 (v), respectively.

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

37 **Article – Financial Institutions**

38 12–401.

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

2 **(H) "CURRENCY" HAS THE MEANING STATED IN 31 C.F.R. § 1010.100(M).**

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

11 (2) "Money transmission" includes[:

12 (i) A bill payer service;

13 (ii) An accelerated mortgage payment service; and

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

19 **(O) (1) "MONEY TRANSMITTER" MEANS A PERSON THAT ENGAGES IN**  
20 **MONEY TRANSMISSION AND IS REQUIRED TO BE LICENSED UNDER THIS SUBTITLE,**  
21 **WHETHER OR NOT THE PERSON MAINTAINS A LICENSE.**

22 **(2) "MONEY TRANSMITTER" INCLUDES:**

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

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

25 (p) "Outstanding [payment instrument] **MONEY TRANSMISSION**" means:

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

30 **(2) WITH RESPECT TO MONEY RECEIVED FOR TRANSMISSION,**  
31 **CURRENCY, FUNDS, OR OTHER VALUE THAT SUBSTITUTES FOR CURRENCY**

1 RECEIVED BY THE LICENSEE OR AN AUTHORIZED DELEGATE OF A LICENSEE THAT  
2 HAS BEEN RECEIVED BUT NOT YET PAID TO THE BENEFICIARY.

3 (S) (1) "PREPAID ACCESS" MEANS ACCESS TO FUNDS OR THE VALUE OF  
4 FUNDS THAT HAVE BEEN PAID IN ADVANCE AND CAN BE RETRIEVED OR  
5 TRANSFERRED AT SOME POINT IN THE FUTURE THROUGH AN ELECTRONIC DEVICE  
6 OR VEHICLE INCLUDING:

7 (I) A CARD;

8 (II) A CODE;

9 (III) AN ELECTRONIC SERIAL NUMBER;

10 (IV) A MOBILE IDENTIFICATION; OR

11 (V) A PERSONAL IDENTIFICATION.

12 (2) "PREPAID ACCESS" DOES NOT INCLUDE ACCESS TO FUNDS OR  
13 THE VALUE OF FUNDS THAT MAY BE REDEEMED ONLY IN THE ISSUER'S GOODS OR  
14 SERVICES.

15 (T) "SELF-SERVICE FINANCIAL KIOSK" MEANS A STAND-ALONE  
16 AUTOMATED PLATFORM THROUGH WHICH A CONSUMER MAY OBTAIN MONEY  
17 TRANSMISSION SERVICES.

18 (v) "Unique identifier" means a number or another identifier assigned by [the  
19 nationwide licensing system] NMLS.

20 12-404.

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

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

26 (2) Used in accordance with § 11-610(c) of this article.

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

30 12-405.

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

4 (1) Is licensed by the Commissioner;

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

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

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

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

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

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

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

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

21 12-407.

22 (b) An applicant shall provide:

23 (1) The trade name of the applicant, as filed with the State Department of  
24 Assessments and Taxation under § 1-406 of the Corporations and Associations Article, and  
25 any fictitious or other name used by the applicant in the conduct of the applicant's business;

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

28 (3) The name, business address, and nature of the business of each  
29 authorized delegate to be appointed by the applicant;

30 (4) The most recent unconsolidated financial statement of the applicant

1 that shall:

2 (i) Be prepared in accordance with generally accepted accounting  
3 principles applied on a consistent basis;

4 (ii) Be a certified opinion audit prepared by an independent certified  
5 public accountant;

6 (iii) Include a schedule of all permissible investments, if any, of the  
7 applicant; and

8 (iv) Be no older than 12 months before the date of the application;

9 (5) The name, address, and telephone number of the applicant's resident  
10 agent in the State;

11 (6) A history of material litigation against the applicant, if any, for the past  
12 3 years; [and]

13 **(7) INFORMATION THAT SATISFIES THE COMMISSIONER THAT THE**  
14 **APPLICANT HAS CREATED RECORD POLICIES AND PROCEDURES FOR THE**  
15 **COMPLIANCE PROGRAMS REQUIRED UNDER § 12-425(D) OF THIS SUBTITLE; AND**

16 ~~[(7)]~~ **(8)** Any other information that the Commissioner reasonably  
17 requires.

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

22 (g) With the application, the applicant shall file evidence of a surety device with  
23 the Commissioner as provided in § 12-412 of this subtitle.

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

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

29 (i) Submit a separate application;

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

31 (iii) Pay the application processing fee that [the nationwide licensing

1 system] NMLS imposes in connection with processing the application for the branch  
2 location.

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

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

6 **(II) PAY A SEPARATE NONREFUNDABLE LICENSE FEE OF \$500;**  
7 **AND**

8 **(III) PAY THE APPLICATION PROCESSING FEE THAT NMLS**  
9 **IMPOSES IN CONNECTION WITH PROCESSING THE APPLICATION FOR THE**  
10 **SELF-SERVICE FINANCIAL KIOSK.**

11 **[(3)] (4)** If an applicant has or is applying for more than one license, the  
12 applicant may comply with subsection (g) of this section by filing evidence of only one surety  
13 device.

14 **[(4)] (5)** If an applicant has or is applying for more than one license, the  
15 applicant is not required to pay a separate investigation fee.

16 12-410.

17 (e) (3) A licensee that offers Internet money transmission services shall  
18 include the following notice on [its Web site] **ANY WEBSITE OR MOBILE APPLICATION**  
19 **THROUGH WHICH THE SERVICES ARE OFFERED OR ON THE OUTSIDE OF THE**  
20 **SELF-SERVICE FINANCIAL KIOSK:**

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

25 12-411.

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

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

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

30 (i) The license is issued, if the license is issued before November 1;

31 or

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

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

7 12-412.

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

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

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

15 (ii) For a licensee, the average monthly [outstanding payment  
16 instruments or] outstanding money transmission liability for the previous 12 months;

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

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

23 12-413.

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

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

30 12-414.

31 (d) (1) All funds received by an authorized delegate from [the sale of a  
32 payment instrument] **MONEY TRANSMISSION SERVICES**, less fees, shall constitute trust



1 funds belonging to the licensee from the time the funds are received by the authorized  
2 delegate until the time when the funds are remitted to the licensee.

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

7 12-415.

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

11 (1) For each failure, pay to the Commissioner a penalty in the amount of  
12 \$500; and

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

17 12-416.

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

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

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

25 (3) A statement of outstanding payment instruments;

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

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

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

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

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

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

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

13 (2) States the number and aggregate dollar amount of payment  
14 instruments issued or sold and the aggregate number and dollar amount of money  
15 transmissions during the previous calendar year;

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

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

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

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

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

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

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

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

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

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

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

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

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

14 12-418.

15 (a) (1) Subject to the provisions of paragraph (2) of this subsection, a licensee  
16 shall have at all times permissible investments having an aggregate market value,  
17 calculated in accordance with generally accepted accounting principles, of not less than the  
18 aggregate face amount of all outstanding [payment instruments issued or sold] **MONEY**  
19 **TRANSMISSIONS CONDUCTED** by the licensee in the United States.

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

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

29 **(2) A LICENSEE SHALL REQUIRE EACH AUTHORIZED DELEGATE WHO**  
30 **SELLS PREPAID ACCESS, WITHIN 5 BUSINESS DAYS AFTER THE NEXT REGULAR**  
31 **BUSINESS DAY AFTER THE AUTHORIZED DELEGATE RECEIVES THE PROCEEDS FROM**  
32 **THE SALE OF PREPAID ACCESS, TO REMIT THE PROCEEDS TO THE LICENSEE OR THE**  
33 **LICENSEE'S AUTHORIZED REPRESENTATIVE OR TO DEPOSIT THE PROCEEDS IN THE**  
34 **LICENSEE'S ACCOUNT WITH A FINANCIAL INSTITUTION.**

35 (c) Deposit by the authorized delegate in an account with a financial institution

1 of funds in advance of money transmissions, but in an amount not less than the amount  
2 that the authorized delegate would normally receive from money transmissions, constitutes  
3 compliance with this section.

4 12-422.

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

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

10 12-425.

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

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

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

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

18 (4) Bank statements and bank reconciliation records;

19 (5) Records of outstanding [payment instruments] **MONEY**  
20 **TRANSMISSIONS**;

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

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

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

28 (b) A licensee shall retain the records required under this section in:

29 (1) Original form; or

30 (2) Photographic, electronic, or other similar form.

1 (c) A licensee may retain the records required under this section at any location,  
2 provided that the licensee:

3 (1) Notifies the Commissioner in writing of the location of the records; and

4 (2) Makes the records available at a place of business for which a license  
5 has been issued, as agreed by the Commissioner and the licensee, within 7 days after a  
6 written request for examination by the Commissioner.

7 **(D) A LICENSEE SHALL MAINTAIN RECORD POLICIES AND PROCEDURES FOR**  
8 **THE FOLLOWING PROGRAMS:**

9 **(1) AN INFORMATION SECURITY AND OPERATIONAL SECURITY**  
10 **PROGRAM;**

11 **(2) A BUSINESS CONTINUITY PROGRAM;**

12 **(3) A DISASTER RECOVERY PROGRAM;**

13 **(4) AN ANTIFRAUD PROGRAM;**

14 **(5) AN ANTI-MONEY-LAUNDERING PROGRAM; AND**

15 **(6) A PROGRAM TO PREVENT FUNDING OF TERRORIST ACTIVITY.**

16 12-427.

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

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

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

22 12-430.1.

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

27 (2) The Commissioner shall adopt regulations establishing a process by  
28 which a licensee or an applicant for a license may challenge information entered by the

1 Commissioner into [the nationwide licensing system] **NMLS**.

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

5 SECTION 4. AND BE IT FURTHER ENACTED, That this Act shall take effect  
6 October 1, 2020.