

February 18, 2013

The Honorable Rob Olson, Chairperson
Senate Committee on Financial Institutions and Insurance
Statehouse, Room 225-E
Topeka, Kansas 66612

Dear Senator Olson:

SUBJECT: Fiscal Note for SB 139 by Senate Committee on Financial Institutions and Insurance

In accordance with KSA 75-3715a, the following fiscal note concerning SB 139 is respectfully submitted to your committee.

SB 139 would amend the Kansas Money Transmitter Act to allow money transmitters to submit applications for licensure through a nationwide multi-state licensing system and registry that is developed and maintained by the Conference of State Bank Supervisors. The bill clarifies procedures for licensing money transmitters, including when licensing occurs through the nationwide multi-state licensing system and registry. The bill also clarifies definitions and expands what is allowed as permissible investments by money transmitters. Money transmitters would be allowed to share agents only for reloading prepaid access cards and would not allow agents of a money transmitter to appoint a subagent. The bill would also authorize the State Bank Commissioner to adopt rules and regulations necessary to implement the Kansas Money Transmitter Act.

The Office of the State Bank Commissioner indicates that the costs associated with implementing the requirements of SB 139 would be negligible and could be absorbed within its existing budget.

Sincerely,



Steven J. Anderson, CPA, MBA
Director of the Budget

cc: Diane Bellquist, Bank Commissioner's Office