Proposed Amendment
2/18/2015
Prepared by M Sterling
Office of Revisor of Statutes

Attachment 3
HFI 2-19-15

document that the commissioner determines to be relevant to the inquiry.

(i) Except as authorized with regard to the appointment of agents, a licensee is prohibited from transferring, assigning, allowing another person to use the licensee's license, or aiding any person who does not hold a valid license under this act in engaging in the business of money transmission.

Sec. 3. K.S.A. 2014 Supp. 9-510 is hereby amended to read as follows: 9-510. A licensee may engage in the business of money transmission at one or more locations in this state and through or by means of such agents as such licensee may designate and appoint from time to time subject to the following provisions:

~~(1)~~ *(a)* No agent of a licensee shall be required to comply with the licensing provisions of this act.

~~(2)~~ *(b)* Only a licensee may designate an agent~~, *except no licensee may designate an agent that is not physically located in this state without prior approval from the commissioner*~~.

A licensee must obtain prior approval from the commissioner to designate an agent that conducts money transmission business through the internet without a physical location in this state.

~~(A)~~ *(c)* No agent shall appoint a subagent.

~~(B) No person acting as an agent for an exempt entity shall be exempt from the licensing provisions of this act.~~

~~(3) A person accepting a consumer's funds for transmission through an exempt entity is a money transmitter and subject to the provisions of this act.~~

(d) A person acting as an agent for an exempt entity or any other person accepting funds for transmission through an exempt entity is a money transmitter and subject to the provisions of this act.

~~(4)~~ *(e)* In conjunction with filing a renewal application, each applicant shall provide in the form and manner prescribed by the commissioner a complete list of its proposed or existing agents. At the end of each calendar quarter each licensee shall provide in the form and manner prescribed by the commissioner any additions or deletions in the licensee's agents.

~~(5)~~ *(f)* A written contract between a licensee and agent shall be maintained for inspection by the commissioner upon request and the written contract must contain provisions to the following effect:

~~(A)~~ *(1)* The agent must operate in full compliance with this act and the rules and regulations adopted thereunder.

~~(B)~~ *(2)* The agent is prohibited from using subagents or conducting money transmission business from locations that have not been approved by the licensee.

~~(C)~~ *(3)* A description of the specific money services the licensee has permitted the agent to perform on behalf of the licensee.

~~(6)~~ *(g)* The agent may only conduct activities authorized by the licensee in the written agreement, unless the agent is also a licensee.

~~(7)~~ *(h)* A licensee may contract with another licensee to use that other

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