
A BILL FOR AN ACT

RELATING TO MONEY TRANSMITTERS.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

1 SECTION 1. Section 489D-9, Hawaii Revised Statutes, is
2 amended by amending subsection (d) to read as follows:
3 "(d) An application for a license under this chapter shall
4 be made in writing, and in a form prescribed by NMLS or by the
5 commissioner. Each application shall contain the following:
6 (1) For all applicants:
7 (A) The exact name of the applicant, any fictitious
8 or trade name used by the applicant in the
9 conduct of its business, the applicant's
10 principal address, and the location of the
11 applicant's business records;
12 (B) The history of the applicant's material
13 litigation and criminal convictions for the ten-
14 year period [~~prior to~~] before the date of the
15 application;



- 1 (C) A description of the business activities
- 2 conducted by the applicant and a history of
- 3 operations;
- 4 (D) A description of the business activities in which
- 5 the applicant seeks to engage within the State;
- 6 (E) A list identifying the applicant's proposed
- 7 authorized delegates in the State, if any, at the
- 8 time of the filing of the license application;
- 9 (F) A sample authorized delegate contract, if
- 10 applicable;
- 11 (G) A sample form of payment instrument or instrument
- 12 upon which stored value is recorded, if
- 13 applicable;
- 14 (H) The locations where the applicant and its
- 15 authorized delegates, if any, propose to conduct
- 16 their licensed activities in the State;
- 17 (I) The name and address of the clearing bank or
- 18 banks on which the applicant's payment
- 19 instruments will be drawn or through which
- 20 payment instruments will be payable;



- 1 (J) Disclosure of any pending or final suspension,
2 revocation, or other enforcement action by any
3 state or governmental authority for the five-year
4 period [~~prior to~~] before the date of the
5 application;
- 6 (K) Information concerning any bankruptcy or
7 receivership proceedings affecting the licensee,
8 key individual, person in control of a licensee,
9 or person seeking to acquire control of a
10 licensee; and
- 11 (L) Any other information the commissioner may
12 require;
- 13 (2) If the applicant is a corporation, the applicant shall
14 also provide:
- 15 (A) The date of the applicant's incorporation and
16 state of incorporation;
- 17 (B) A certificate of good standing from the state in
18 which the applicant was incorporated;
- 19 (C) A description of the corporate structure of the
20 applicant, including the identity of any parent
21 or subsidiary company of the applicant, and the



- 1 disclosure of whether any parent or subsidiary
2 company is publicly traded on any stock exchange;
- 3 (D) The name, business and residence address, and
4 employment history, for the past five years, of
5 the applicant's principals, and each person who,
6 upon approval of the application, will be a
7 principal of the licensee;
- 8 (E) For the ten-year period [~~prior to~~] before the
9 date of the application, the history of material
10 litigation involving, and criminal convictions
11 of, each principal of the applicant;
- 12 (F) A copy of the applicant's most recent audited
13 financial statement, including balance sheets,
14 statements of income or loss, statements of
15 changes in shareholder equity and statements of
16 changes in financial position, and, if available,
17 the applicant's audited financial statements for
18 the preceding two-year period or, if the
19 applicant is a wholly owned subsidiary of another
20 corporation, either the parent corporation's
21 consolidated audited financial statements for the



1 current year and for the preceding two-year
2 period, or the parent corporation's Form 10-K
3 reports filed with the United States Securities
4 and Exchange Commission for the prior three years
5 in lieu of the applicant's financial statements,
6 or if the applicant is a wholly owned subsidiary
7 of a corporation having its principal place of
8 business outside the United States, similar
9 documentation filed with the parent corporation's
10 non-United States regulator;

11 (G) Copies of all filings, if any, made by the
12 applicant with the United States Securities and
13 Exchange Commission, or with a similar regulator
14 in a country other than the United States, within
15 the year preceding the date of filing of the
16 application; and

17 (H) Information necessary to conduct a criminal
18 history record check [~~in accordance with~~] to be
19 conducted by or through NMLS or pursuant to
20 section 846-2.7 of each person who, upon approval
21 of the application, will be a principal of the



1 licensee[7]. The information shall be
2 accompanied by the appropriate payment of the
3 applicable fee for each criminal history record
4 check; and

5 (3) If the applicant is not a corporation, the applicant
6 shall also provide:

7 (A) The name, business and residence address,
8 personal financial statement, and employment
9 history, for the past five years, of each
10 principal of the applicant;

11 (B) The name, business and residence address, and
12 employment history, for the past five years, of
13 any other persons who, upon approval of the
14 application, will be a principal of the licensee;

15 (C) The place and date of the applicant's
16 registration or qualification to do business in
17 this State;

18 (D) The history of material litigation and criminal
19 convictions for the ten-year period before the
20 date of the application for each principal of the
21 applicant;



- 1 (E) Copies of the applicant's audited financial
- 2 statements, including balance sheets, statements
- 3 of income or loss, and statements of changes in
- 4 financial position for the current year and, if
- 5 available, for the preceding two-year period; and
- 6 (F) Information necessary to conduct a criminal
- 7 history record check [~~in accordance with~~] to be
- 8 conducted by or through NMLS or pursuant to
- 9 section 846-2.7 of each principal of the
- 10 applicant[7]. The information shall be
- 11 accompanied by the appropriate payment of the
- 12 applicable fee for each criminal history record
- 13 check."

14 SECTION 2. Section 489D-34, Hawaii Revised Statutes, is
 15 amended to read as follows:

16 "**§489D-34 Powers of the commissioner.** In addition to any
 17 other powers provided by law, the commissioner may:

- 18 (1) Adopt rules pursuant to chapter 91 to implement this
- 19 chapter;
- 20 (2) Administer and enforce the provisions and requirements
- 21 of this chapter;

- 1 (3) Issue declaratory rulings and informal nonbinding
2 interpretations;
- 3 (4) Develop requirements for licensure;
- 4 (5) Process and investigate complaints, subpoena witnesses
5 and documents, administer oaths, and receive
6 affidavits and oral testimony, including telephonic
7 communications;
- 8 (6) Investigate and conduct hearings, including contested
9 case proceedings under chapter 91, regarding any
10 violation of this chapter, or any rule or order of, or
11 agreement with, the commissioner;
- 12 (7) Create fact-finding committees that may make
13 recommendations to the commissioner for the
14 commissioner's deliberations;
- 15 (8) Require disclosure of relevant criminal history in
16 accordance with this chapter and conduct criminal
17 history record checks [~~in accordance with~~] conducted
18 by or through NMLS or pursuant to chapter 846;
- 19 (9) Contract with or employ qualified persons who may be
20 exempt from chapter 76, including investigators,
21 examiners, auditors, and attorneys, to assist the



- 1 commissioner in exercising the commissioner's powers
2 and duties;
- 3 (10) Require that all revenues, fees, and fines collected
4 by the commissioner under this chapter be deposited
5 into the compliance resolution fund established
6 pursuant to section 26-9(o);
- 7 (11) Revoke, suspend, or otherwise limit the license of any
8 money transmitter for any violation of this chapter,
9 or any rule or order of, or agreement with, the
10 commissioner;
- 11 (12) Report any violation of this chapter or violation of
12 federal or state law to the Consumer Financial
13 Protection Bureau or other federal agency having
14 jurisdiction over the licensee;
- 15 (13) Participate in nationwide protocols for licensing
16 cooperation and coordination among state regulators;
17 and
- 18 (14) Do any and all things necessary or incidental to the
19 exercise of the commissioner's power and duties."

20 SECTION 3. Statutory material to be repealed is bracketed
21 and stricken. New statutory material is underscored.



1 SECTION 4. This Act shall take effect on January 1, 2050.

2



H.B. NO. 2113
H.D. 2

Report Title:

Money Transmitters; Application; Criminal History Record Check

Description:

Minimizes regulatory burden and eliminates redundancy by permitting money transmitter applicants to submit to either a state or federal criminal history record check, rather than both. Effective 1/1/2050. (HD2)

The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.

2022-1924 HB2113 HD2 HMSO

