(b) Not later than the 10th day after the date the Commissioners Court of Jones County receives the report and determines that the requirements of this subchapter have been fulfilled, the commissioners court shall enter an order dissolving the district and releasing the board from any further duty or obligation.

SECTION 2. This Act takes effect September 1, 2013.

Passed by the House on May 8, 2013: Yeas 147, Nays 0, 2 present, not voting; passed by the Senate on May 22, 2013: Yeas 31, Nays 0.

Approved June 14, 2013.

Effective September 1, 2013.

CHAPTER 988

H.B. No. 2134

AN ACT
relating to the regulation of money services businesses.

Be it enacted by the Legislature of the State of Texas:

SECTION 1. Section 151.002(b)(3), Finance Code, is amended to read as follows:


SECTION 2. Section 151.104(a), Finance Code, is amended to read as follows:

(a) The commissioner may conduct investigations in or outside this state and the United States as the commissioner considers necessary or appropriate to administer and enforce this chapter, including investigations to:

(1) determine whether to approve an application for [or renewal of] a license or a request for approval or exemption filed under this chapter or a rule adopted or order issued under this chapter;

(2) determine whether a person has violated or is likely to violate this chapter or a rule adopted or order issued under this chapter;

(3) determine whether a license or authorized delegate designation should be revoked or suspended;

(4) otherwise aid in the enforcement of this chapter or a rule adopted or order issued under this chapter; and

(5) aid in the adoption of rules or issuance of orders under this chapter.

SECTION 3. Section 151.105, Finance Code, is amended by adding Subsection (b-1) to read as follows:

(b-1) To efficiently and effectively administer and enforce this chapter and to minimize regulatory burden, the commissioner may cooperate, coordinate, and share information with an organization the membership of which is made up of state or federal governmental agencies described by Subsection (a). The commissioner may:

(1) enter into a written cooperation, coordination, or information-sharing contract or agreement with the organization; and

(2) share information, provided that the organization agrees in writing to maintain the confidentiality and security of the shared information.

SECTION 4. Subchapter C, Chapter 151, Finance Code, is amended by adding Section 151.2031 to read as follows:

Sec. 151.2031. USE OF NATIONWIDE MORTGAGE LICENSING SYSTEM AND REGISTRY. (a) In this section, "Nationwide Mortgage Licensing System and Registry" or "nationwide registry" means a licensing system developed and maintained by the Conference of State Bank Supervisors or an affiliated organization to manage mortgage licenses and other financial services licenses, or a successor registry.
(b) The commissioner may require that a person submit through the Nationwide Mortgage Licensing System and Registry in the form and manner prescribed by the commissioner and acceptable to the registry any information or document or payment of a fee required to be submitted under this chapter or rules adopted under this chapter.

(c) The commissioner may use the nationwide registry as a channeling agent for obtaining information required for licensing purposes under this chapter or rules adopted under this chapter, including:

(1) criminal history record information from the Federal Bureau of Investigation, the United States Department of Justice, or any other agency or entity at the commissioner's discretion;

(2) information related to any administrative, civil, or criminal findings by a governmental jurisdiction; and

(3) information requested by the commissioner under Section 151.203(a)(3).

SECTION 5. The heading to Section 151.207, Finance Code, is amended to read as follows:

Sec. 151.207. CONTINUATION [RENEWAL] OF LICENSE; ANNUAL REPORT AND FEE.

SECTION 6. Sections 151.207(a), (b), (c), (d), (e), and (f), Finance Code, are amended to read as follows:

(a) If a [Regardless of the date on which a license under this chapter is issued, the license expires on August 15 of each year unless the license is renewed in accordance with this section or is previously surrendered by the license holder or suspended or revoked by the commissioner.

(b) In addition to complying with Subsection (a) [Additionally, not later than July 1 of each year], a license holder must annually:

(1) pay a license [an annual renewal] fee in an amount established by commission rule; and

(2) submit a [renewal] report that is under oath, is in the form and medium required by the commissioner, and contains:

(A) if the license is a money transmission license, an audited unconsolidated financial statement dated as of the last day of the license holder's fiscal year that ended in the immediately preceding calendar year;

(B) if the license is a currency exchange license, a financial statement, audited or unaudited, dated as of the last day of the license holder's fiscal year that ended in the immediately preceding calendar year; and

(C) documentation and certification, or any other information the commissioner reasonably requires to determine the security, net worth, permissible investments, and other requirements the license holder must satisfy and whether the license holder continues to meet the qualifications and requirements for licensure.

(c) If the department does not receive a license holder's annual license [renewal] fee and complete annual [renewal] report on or before the due date prescribed by the commissioner under this section [July 1], the commissioner shall notify the license holder in writing that:

(1) the license holder shall [has until August 15] submit the [renewal] report and pay the license [renewal] fee not later than the 45th day after the due date prescribed by the commissioner; and

(2) the license holder must pay a late fee, in an amount that is established by commission rule and not subject to appeal, for each business day after the report due date specified by the commissioner [July 1] that the commissioner does not receive the completed [renewal] report and license [renewal] fee.
(d) If the license holder fails to submit the completed annual [renewal] report and pay the annual license [renewal] fee and any late fee due within the time prescribed by Subsection (c)(1), the license expires [effective 5 p.m. central daylight time on August 15], and the license holder must cease and desist from engaging in the business of money transmission or currency exchange, as applicable, as of that date [time]. The expiration of a license is not subject to appeal.

(e) On timely receipt of a license holder's complete annual [renewal] report, annual license [renewal] fee, and any late fee due, the department shall review the report and, if necessary, investigate the business and records of the license holder. On completion of the review and investigation, if any, the commissioner may:

(1) renew the license;

[20x563]2491

(2) impose conditions on the [renewal of the] license the commissioner considers reasonably necessary or appropriate; or

(2) [30x563]2491

(3) suspend or revoke the license on the basis of a ground specified in Section 151.703.

(f) On written application and for good cause shown, the commissioner may extend the due date [time] for filing the annual license fee and annual report required under this section.

SECTION 7. Section 151.208(c), Finance Code, is amended to read as follows:

(c) The surrender of a license does not reduce or eliminate a license holder's civil or criminal liability arising from any acts or omissions before the surrender of the license, including any administrative action undertaken by the commissioner to deny the renewal of a license, to revoke or suspend a license, to assess an administrative penalty, to order the payment of restitution, or to exercise any other authority under this chapter. Further, the surrender of a license does not release the security required of the license holder under Section 151.306 or 151.506.

SECTION 8. Section 151.209, Finance Code, is amended to read as follows:

Sec. 151.209. REFUNDS. A fee or cost paid under this chapter [in connection with an application or renewal] is not refundable.

SECTION 9. Section 151.301(b)(8), Finance Code, is amended to read as follows:

(8) "Stored value" means monetary value evidenced by an electronic record that is pre funded and for which value is reduced on each use. The term includes prepaid access as defined by 31 C.F.R. Section 1010.100(unv). The term does not include an electronic record that is:

(A) loaded with points, miles, or other nonmonetary value; or

(B) not sold to the public but distributed as a reward or charitable donation; or

(C) redeemable only for goods or services from a specified merchant or set of affiliated merchants, such as:

(i) a specified retailer or retail chain;

(ii) a set of affiliated companies under common ownership;

(iii) a college campus; or

(iv) a mass transportation system.

SECTION 10. Section 151.306(b), Finance Code, is amended to read as follows:

(b) The effective period for a temporary license may not exceed 90 days from the date the license is issued, provided that the commissioner may extend the period for not more than an additional 90 [30] days if necessary to complete the processing of a timely filed application for which approval is likely.

SECTION 11. Section 151.308(c), Finance Code, is amended to read as follows:

(c) The security must:

(1) be in a form satisfactory to the commissioner;

(2) be payable to any claimant or to the commissioner, on behalf of a claimant or this state, for any liability arising out of the license holder's money transmission business in this state, incurred under, subject to, or by virtue of this chapter; and
(3) [be conditioned on the faithful compliance of the license holder or the principals, responsible individuals, employees and authorized delegates of the license holder with this chapter or any rule adopted or order issued under this chapter; and

(4) if the security is a bond, be issued by a qualified surety company authorized to engage in business in this state and acceptable to the commissioner or, if the security is an irrevocable letter of credit, be issued by a financial institution acceptable to the commissioner.

SECTION 12. Section 151.401, Finance Code, is amended to read as follows:

Sec. 151.401. LIABILITY OF LICENSE HOLDER. A money transmission license holder is liable for the payment of all money or monetary value received for transmission [either] directly or by [through] an authorized delegate appointed in accordance with Section 151.402.

SECTION 13. Sections 151.402(e) and (f), Finance Code, are amended to read as follows:

(e) A license holder must notify the license holder's authorized delegates and require the delegates to take any action required by the commissioner if [the license holder]:

(1) the license holder's license expired or is surrendered or revoked; or

(2) the license holder is subject to an emergency or final order that affects the conduct of the license holder's business through an authorized delegate.

(f) A license holder must maintain a current list of authorized delegates located in this state or doing business with persons located in this state that includes the name and business address of each delegate and must provide the list to the commissioner on request. A license holder that engages in business through 11 or more authorized delegates located in this state must include on the license holder's website a list of the names and addresses of the authorized delegates of the license holder located in this state and the delegates' business addresses. The license holder must update the list quarterly.

SECTION 14. Section 151.501(b), Finance Code, is amended by amending Subdivision (2) and adding Subdivision (3) to read as follows:

(2) "Currency exchange" means:

(A) receiving [exchanging] the currency of one government and exchanging it for the currency of another government; or

(B) receiving a negotiable instrument and exchanging it for the currency of another government.

(3) "Negotiable instrument" has the meaning assigned by Section 3.104, Business & Commerce Code.

SECTION 15. Sections 151.603(a), (b), and (c), Finance Code, are amended to read as follows:

(a) An applicant or license holder shall file a written report with the commissioner not later than the 15th day after the date the applicant or license holder knows or has reason to know of a material change in the information reported in an application or annual [renewal] report required under Section 151.207(b)(2). The report must describe the change and the anticipated impact of the change on the activities of the applicant or license holder in this state.

(b) A money transmission license holder shall prepare written reports and statements as follows:

(1) the annual [renewal] report required by Section 151.207(b)(2), including an audited unconsolidated financial statement that is dated as of the last day of the license holder's fiscal year that ended in the immediately preceding calendar year;

(2) a quarterly interim financial statement and report regarding the permissible investments required to be maintained under Section 151.309 that reflect the license holder's financial condition and permissible investments as of the last day of the calendar quarter to which the statement and report relate and that are prepared not later than the 45th day after the last day of the calendar quarter; and
(3) any other report required by rule of the commission or reasonably requested by the commissioner to determine compliance with this chapter.

c) A currency exchange license holder shall prepare a written report or statement as follows:

(1) the annual [renewal] report required by Section 151.207(b)(2), including a financial statement that may be audited or unaudited and that is dated as of the last day of the license holder’s fiscal year that ended in the immediately preceding calendar year;

(2) a quarterly interim financial statement and transaction report that reflects the license holder’s financial condition and currency exchange business as of the last day of the calendar quarter to which the statement and report relate and that are prepared not later than the 45th day after the last day of the calendar quarter; and

(3) any other report required by rule of the commission or reasonably requested by the commissioner to determine compliance with this chapter.

SECTION 16. Section 151.604(a), Finance Code, is amended to read as follows:

(a) A license holder shall file a written report with the commissioner not later than the 15th day after the date the license holder knows or has reason to know of a material change in the information reported in an application or annual [renewal] report required under Section 151.207(b)(2). The report must describe the change and the anticipated impact of the change on the license holder’s activities in this state.

SECTION 17. Section 278.001(1), Finance Code, is amended to read as follows:

(1) “Currency” has the meaning assigned by Section 151.501 [153.004].

SECTION 18. Section 278.053, Finance Code, is repealed.

SECTION 19. As soon as practicable after the effective date of this Act, the Finance Commission of Texas shall adopt rules necessary to implement the changes in law made by this Act.

SECTION 20. Section 151.104(a), Finance Code, as amended by this Act, applies only to an investigation commenced on or after the effective date of this Act. An investigation commenced before the effective date of this Act is governed by the law in effect on the date the investigation was commenced, and the former law is continued in effect for that purpose.

SECTION 21. This Act takes effect September 1, 2013.

Passed by the House on April 18, 2013: Yeas 140, Nays 3, 2 present, not voting; passed by the Senate on May 20, 2013: Yeas 31, Nays 0.

Approved June 14, 2013.
Effective September 1, 2013.

CHAPTER 989

H.B. No. 2135

AN ACT relating to waivers and grants of credit for the requirements to obtain certain private security licenses to individuals who hold security credentials from the United States armed forces.

Be it enacted by the Legislature of the State of Texas:

SECTION 1. The heading to Section 1702.1183, Occupations Code, is amended to read as follows:

Sec. 1702.1183. RECIPROCAL LICENSE FOR CERTAIN [FOREIGN] APPLICANTS.

SECTION 2. Section 1702.1183, Occupations Code, is amended by adding Subsection (c) to read as follows:

(c) The board shall adopt rules under which the board may waive any prerequisite to obtaining a license for, and credit experience for a license requirement to, an individual who...