



Rep. Lou Lang

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1 AMENDMENT TO HOUSE BILL 3681

2 AMENDMENT NO. \_\_\_\_\_. Amend House Bill 3681 by replacing  
3 everything after the enacting clause with the following:

4 "Section 5. The Transmitters of Money Act is amended by  
5 changing Sections 5 and 15 as follows:

6 (205 ILCS 657/5)

7 Sec. 5. Definitions. As used in this Act, unless the  
8 context otherwise requires, the words and phrases defined in  
9 this Section have the meanings set forth in this Section.

10 "Authorized seller" means a person not an employee of a  
11 licensee who engages in the business regulated by this Act on  
12 behalf of a licensee under a contract between that person and  
13 the licensee.

14 "Bill payment service" means the business of transmitting  
15 money on behalf of an Illinois resident for the purpose of  
16 paying the resident's bills.

1 "Controlling person" means a person owning or holding the  
2 power to vote 25% or more of the outstanding voting securities  
3 of a licensee or the power to vote the securities of another  
4 controlling person of the licensee. For purposes of determining  
5 the percentage of a licensee controlled by a controlling  
6 person, the person's interest shall be combined with the  
7 interest of any other person controlled, directly or  
8 indirectly, by that person or by a spouse, parent, or child of  
9 that person.

10 "Department" means the Department of Financial  
11 Institutions.

12 "Director" means the Director of Financial Institutions.

13 "Licensee" means a person licensed under this Act.

14 "Location" means a place of business at which activity  
15 regulated by this Act occurs.

16 "Material litigation" means any litigation that, according  
17 to generally accepted accounting principles, is deemed  
18 significant to a licensee's financial health and would be  
19 required to be referenced in a licensee's annual audited  
20 financial statements, reports to shareholders, or similar  
21 documents.

22 "Money" means a medium of exchange that is authorized or  
23 adopted by a domestic or foreign government as a part of its  
24 currency and that is customarily used and accepted as a medium  
25 of exchange in the country of issuance.

26 "Money transmitter" means a person who is located in or

1 doing business in this State and who directly or through  
2 authorized sellers does any of the following in this State:

3 (1) Sells or issues payment instruments.

4 (2) Engages in the business of receiving money for  
5 transmission or transmitting money.

6 (3) Engages in the business of exchanging, for  
7 compensation, money of the United States Government or a  
8 foreign government to or from money of another government.

9 "Outstanding payment instrument" means, unless otherwise  
10 treated by or accounted for under generally accepted accounting  
11 principles on the books of the licensee, a payment instrument  
12 issued by the licensee that has been sold in the United States  
13 directly by the licensee or has been sold in the United States  
14 by an authorized seller of the licensee and reported to the  
15 licensee as having been sold, but has not been paid by or for  
16 the licensee.

17 "Payment instrument" means a check, draft, money order,  
18 traveler's check, stored value card, or other instrument or  
19 memorandum, written order or written receipt for the  
20 transmission or payment of money sold or issued to one or more  
21 persons whether or not that instrument or order is negotiable.  
22 Payment instrument does not include an instrument that is  
23 redeemable by the issuer in merchandise or service, a credit  
24 card voucher, or a letter of credit. A written order for the  
25 transmission or payment of money that results in the issuance  
26 of a check, draft, money order, traveler's check, or other

1 instrument or memorandum is not a payment instrument.

2 "Person" means an individual, partnership, association,  
3 joint stock association, corporation, or any other form of  
4 business organization.

5 "Stored value card" means any magnetic stripe card or other  
6 electronic payment instrument given in exchange for money and  
7 other similar consideration, including but not limited to  
8 checks, debit payments, money orders, drafts, credit payments,  
9 and traveler's checks, where the card or other electronic  
10 payment instrument represents a dollar value that the consumer  
11 can either use or give to another individual.

12 "Transmitting money" means the transmission of money by any  
13 means, including transmissions to or from locations within the  
14 United States or to and from locations outside of the United  
15 States by payment instrument, facsimile or electronic  
16 transfer, or otherwise, and includes bill payment services.

17 "Transmitting money" does not include providing payment  
18 services to a seller of goods or services, a payee, or a  
19 payment processor in connection with the sale of goods or  
20 services, including (1) providing payment processing services  
21 and payment settlement services, (2) acting as an agent or  
22 service provider of entities that engage in payment processing  
23 or settlement services, or (3) receiving and disbursing  
24 currency, funds, or other value as an agent of the payee.

25 (Source: P.A. 92-400, eff. 1-1-02; 93-535, eff. 1-1-04.)

1 (205 ILCS 657/15)

2 Sec. 15. Exemptions. The following are exempt from the  
3 licensing requirements of this Act:

4 (1) The United States and any department or agency of  
5 the United States.

6 (2) This State and any political subdivision of this  
7 State.

8 (3) Banks, trust companies, building and loan  
9 associations, savings and loan associations, savings  
10 banks, or credit unions, licensed or organized under the  
11 laws of any state or of the United States and any foreign  
12 bank maintaining a branch or agency licensed or organized  
13 under the laws of any state or of the United States.

14 (4) Currency exchanges licensed under the Currency  
15 Exchange Act are exempt from licensing only for (i) the  
16 issuance of money orders or (ii) the sale, loading, or  
17 unloading of stored value cards.

18 (5) Corporations and associations exempt under item  
19 (3) or (4) from the licensing requirements of this Act are  
20 not exempt from approval by the Director as authorized  
21 sellers. Nothing in this Act shall be deemed to enlarge the  
22 powers of those corporations and associations.

23 (6) An operator of a payment system to the extent that  
24 it provides processing, clearing, or settlement services  
25 between or among persons exempt under this Section in  
26 connection with wire transfers, credit card transactions,

1       debit card transactions, stored value transactions,  
2       automated clearing house transfers, or similar funds  
3       transfers.

4       (Source: P.A. 97-511, eff. 8-23-11.)

5       Section 99. Effective date. This Act takes effect upon  
6       becoming law."