

Legislative Analysis



MONEY TRANSMISSION SERVICES ACT

Phone: (517) 373-8080
<http://www.house.mi.gov/hfa>

House Bill 4242

Sponsor: Rep. Leslie Love

Committee: Financial Services

Complete to 4-20-15

Analysis available at
<http://www.legislature.mi.gov>

SUMMARY:

House Bill 4242 would amend the Money Transmission Service Act to require a licensee (or authorized delegate), at each location in the state where it provides money transmission services, to post a sign, printed in bold-faced type 36-point or larger, in a conspicuous location visible to the public, that discloses its fees for each of its money transmission services.

The act, passed in 2006, licenses entities involved in the business of electronic or wire transmission of money. The act defines "money transmission services" as selling or issuing payment instruments or stored value devices or receiving money or monetary value for transmission. The term does not include solely providing delivery, online, or telecommunications services or network access. The act does not apply to banks and credit unions.

MCL 487.1001 et al.

FISCAL IMPACT:

House Bill 4242 would have a nominal fiscal impact on the Department of Insurance and Financial Services (DIFS) to the extent that licensees that do not comply with the requirement under the bill would be subject to the civil fine provision of the Act, with revenue generated by civil fines deposited into the Consumer Finance Fees Fund and expended for DIFS operational expenses.

Legislative Analyst: E. Best
Fiscal Analyst: Paul Holland

■ This analysis was prepared by nonpartisan House Fiscal Agency staff for use by House members in their deliberations, and does not constitute an official statement of legislative intent.