

SUBSTITUTE FOR
SENATE BILL NO. 1056

A bill to amend 2006 PA 250, entitled
"Money transmission services act,"
by amending section 4 (MCL 487.1004).

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 4. This act does not apply to any of the following:

2 (a) The United States or a department, agency, or
3 instrumentality of the United States.

4 (b) Money transmission services **THAT ARE** provided by the
5 United States ~~postal service~~ **POSTAL SERVICE** or by a contractor on
6 behalf of the United States ~~postal service~~ **POSTAL SERVICE**.

7 (c) A state, county, city, or any other governmental
8 subdivision of a state.

9 (d) A depository financial institution, office of an
10 international banking corporation, or branch of a foreign bank; a

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1 bank holding company or subsidiary, as those terms are defined in
 2 section 2(a)(1) and 2(d) of the bank holding company act of 1956,
 3 12 USC 1841; a bank service company organized under the bank
 4 service company act, 12 USC 1861 to 1867; a subsidiary or affiliate
 5 of a depository financial institution, or a subsidiary or affiliate
 6 of a holding company of a depository financial institution, if the
 7 depository financial institution maintains its main office or a
 8 branch office in this state; a credit union service organization,
 9 as that term is defined in section 102 of the credit union act,
 10 2003 PA 215, MCL 490.102; or a corporation organized under the Edge
 11 act, 12 USC 611 to 633.

12 <<(E) A PERSON ACTING AS AN AGENT FOR AN ENTITY DESCRIBED IN
 SUBDIVISION (D) TO THE EXTENT THAT THE PERSON'S ACTIONS ARE WITHIN
 THE SCOPE OF THAT AGENCY RELATIONSHIP.>>

13 (F) ~~(e) Electronic~~ **AN ELECTRONIC** funds transfer of
 14 governmental benefits for a federal, state, county, or governmental
 15 agency by a contractor on behalf of the United States or a
 16 department, agency, or instrumentality of the United States or a
 17 state or governmental subdivision, agency, or instrumentality of a
 18 state.

19 (G) ~~(f)~~ A board of trade **THAT IS** designated as a contract
 20 market under the commodity exchange act, 7 USC 1 to 27f, or a
 21 person that in the ordinary course of business provides clearance
 22 and settlement services for a board of trade, to the extent of its
 23 operation as or for that board.

24 (H) ~~(g)~~ A registered futures commission merchant under the
 25 federal commodities laws, to the extent of its operation as a
 26 merchant.

27 (I) ~~(h)~~ A person that provides clearance or settlement

1 services under a registration as a clearing agency or an exemption
2 from registration granted under the federal securities laws, to the
3 extent of its operation as a provider under this subdivision.

4 (J) ~~(i)~~—An operator of a payment system, to the extent that it
5 provides processing, clearing, settlement, or other similar
6 services between or among persons excluded ~~by~~ **UNDER** this section in
7 connection with wire transfers, credit card transactions, debit
8 card transactions, stored value transactions, automated
9 clearinghouse transfers, or other similar funds transfers or
10 transactions.

11 (K) ~~(j)~~—A person **THAT IS** registered as a securities broker-
12 dealer under federal or state securities laws, to the extent of its
13 operation as a registered broker-dealer.