

Dear Professor Ramasastry:

I'm writing in response to your letter of March 8 to Chuck Cross.

I believe the most significant change to the Uniform Money Services Act made by the Washington Legislature to assist small ethnic money transmitters is RCW 19.230.902. That section directs the Department to conduct outreach activities and to provide technical assistance to license applicants with regard to the application process and the overall requirements of the law. At least 3 employees have been involved in these activities over the past 8 months, amounting to an estimated 1.5 FTEs of time. We believe those efforts have been of great assistance to the applicants and licensees involved.

Other considerations for the small business money transmitters appear in the rules. They seemed to be having difficulty getting surety bonds, so we added the option of providing an assignment of a certificate of deposit of equal amount. The fee structure, net worth and surety requirements are progressive, i.e., the more delegates you have, and the higher the volume of your business, the more you pay for the initial license and subsequent annual assessments and the higher your surety and net worth requirements are.

The only specific change I'm aware of is that some of the enforcement staff would like to see is that the license be issued for a finite amount of time instead of indefinitely until revoked or surrendered. However, some members of our staff feel that the annual report is in effect a reapplication.

Thank you for your inquiry. We look forward with interest to see what the Drafting Committee comes up with.

Sincerely,

Dave Cheal
Rules Coordinator, Consumer Services Division