

ACT NO. 8137
BILL NO. 32-0310

THIRTY-SECOND LEGISLATURE OF THE VIRGIN ISLANDS

Regular Session

2018

An Act to amend Title 9 Virgin Islands Code, chapter 22 (the Uniform Money Services Act), to grant to the Office of the Lieutenant Governor, Division of Banking, Insurance and Financial Regulation the authority to license authorized delegates, to establish requirements for alien companies seeking to conduct businesses, and for other related purposes

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Be it enacted by the Legislature of the Virgin Islands:

SECTION 1. Title 9 Virgin Islands Code, chapter 22, subchapter I, section 502 is amended as follows:

(a) by adding a new paragraph (1) to read: “(1) Alien” means a person incorporated or formed under the laws of a nation other than the United States and not subject to the jurisdiction of the United States.”

(b) in paragraph (2) by striking “a person a licensee designates to provide money services on behalf of the licensee.” and inserting “a person required to be licensed under this chapter, and who is designated by a licensee to provide money services on behalf of the licensee.”; and

(c) in paragraph (9) after “chapter” by adding, “a money transmission, check cashing or currency exchange business.”

(d) and by renumbering the remaining definitions accordingly.

SECTION 2. Title 9 Virgin Islands Code, chapter 22, subchapter II, section 516 is amended by striking “\$25,000” and inserting “\$100,000”.

SECTION 3. Title 9 Virgin Islands Code, Chapter 22, subchapter V is amended as follows:

(a) The subchapter heading is amended by inserting “Licensure” after “Delegates”.

(b) Sections 543 through 546 are added and read as follows:

“§ 543. License required

(a) A person may not engage in authorized delegate activities or advertise, solicit, or hold itself out as serving as an authorized delegate for a money transmission check cashing or currency exchange for which the person receives revenues equal or greater than five percent of total revenues unless the person meets one of the criteria in paragraphs (1) through (3) of this subsection. The person must be:

- (1) licensed under this subchapter;
- (2) an authorized delegate of a person licensed under subchapter II of this chapter;
or
- (3) an authorized delegate of a person approved to Engage in money transmission under section 517.

(b) A license under this subchapter is not transferable or assignable.

§ 544. Application for License

(a) A person applying for a license under this subchapter shall do so in a form and in a medium prescribed by the Director. The application must contain:

(1) the legal name and residential and business addresses of the applicant, if the applicant is an individual; or, if the applicant is not an individual, the legal name including any fictitious or trade name and business address of the applicant and the legal name of each partner, executive officer, manager, and director;

(2) the location of the principal office of the applicant;

(3) complete addresses of other locations in this Territory where the applicant engages in money transmission, check cashing or currency exchange, including all limited stations and mobile locations;

(4) a description of the source of money and credit to be used by the applicant to engage as an authorized delegate for money transmission, check cashing and currency exchange; and

(5) other information the Director reasonably requires with respect to the applicant, but not more than the Director may require under subchapter II.

(b) A non-refundable application fee of \$200 and a license fee of \$450 must accompany

(c) an application for a license under this subchapter. The license fee must be refunded if the application is denied.

§ 545. Issuance of License

(a) When an application is filed under this subchapter, the Director shall investigate the applicant's financial condition and responsibility, financial and business experience, character, and general fitness. The Director shall conduct an on-site investigation of the applicant, the reasonable cost of which the applicant must pay. The Director shall issue a license to an applicant under this subchapter if the Director finds that:

(1) the applicant has complied with §538; and

(2) the financial condition and responsibility, financial and business experience, competence, character, and general fitness of the applicant; and the competence, experience, character, and general fitness of the executive officers, managers, directors, and persons in control of, the applicant indicate that it is in the interest of the public to permit the applicant to act as an authorized delegate on behalf of a licensee.

(b) When an application for an original license under this subchapter is complete, the Director shall issue the license under this subchapter.

(c) The Director may for good cause extend the application period.

(d) An applicant whose application is denied by the Director under this subchapter may appeal from the denial and request a hearing, no later than 30 days after receipt of the notice of denial.

§ 546. Renewal of License

(a) An authorized delegate licensed under this subchapter shall pay a biennial renewal fee of \$450 no later than 30 days before each biennial anniversary of the issuance of the license or, if the last day is not a business day, on the next business day.

(b) An Authorized Delegate licensed under this subchapter shall submit a renewal report with the renewal fee, in a form and in a medium prescribed by the Director. The renewal report must state or contain:

(1) a description of each material change in information submitted by the authorized delegate in its original license application that has not been reported to the Director on any required report; and

(2) a list of the locations in this Territory where the authorized delegate engages in money transmission, check cashing or currency exchange, including limited stations and mobile locations.

(c) If an Authorized Delegate licensed under this subchapter does not file a renewal report or pay the renewal fee by the renewal date or any extension of time granted by the Director, the Director shall send the authorized delegate a notice of suspension. Unless the authorized delegate files the report and pays the renewal fee before expiration of 10 days after

the notice is sent, the Director shall suspend the authorized delegate’s license 10 days after the Director sends the notice of suspension.

(d) The Director for good cause may grant an extension of the renewal date. The suspension must be lifted if, within 20 days after its license is suspended, the authorized delegate:

(1) files the report and pays the renewal fee; and

(2) pays \$100 for each day after suspension that the Director did not receive the renewal report and the renewal fee.”

SECTION 4. Title 9 Virgin Islands Code, chapter 22, subchapter VIII, section 572, subsection (a) is amended by inserting the words “license and” before the word, “designation”.

SECTION 5. Title 9 Virgin Islands Code, chapter 22 amended by adding a Subchapter XI entitled “**Alien Companies**”, which reads as follows:

“§ 593. Subchapter XI. Alien Companies; requirements for Alien Companies to Conduct Business under this Chapter:

No alien company, as defined in new section 502 (1), may be licensed to conduct money services business under this chapter. An alien company seeking to conduct business under this chapter may conduct business only through a United States subsidiary. The United States subsidiary shall comply with all applicable provisions of this chapter.”

Thus passed by the Legislature of the Virgin Islands on October 12, 2018.

Witness our Hands and Seal of the Legislature of the Virgin Islands this 26th Day of October, A.D., 2018.



A large, stylized blue ink signature of Myron D. Jackson.

Myron D. Jackson
President

A blue ink signature of Jean A. Forde.

Jean A. Forde
Legislative Secretary



Bill No. 32-0310 is hereby approved.

**Witness my hand and the seal of the Government of
the United States Virgin Islands at Charlotte Amalie,
St. Thomas, this 10th day of November, 2018 A.D.**

A handwritten signature in blue ink, appearing to read "K. Mapp", written over the printed name.

**Kenneth E. Mapp
Governor**