

# Senate Bill 277

Printed pursuant to Senate Interim Rule 213.28 by order of the President of the Senate in conformance with pre-session filing rules, indicating neither advocacy nor opposition on the part of the President (at the request of Governor John A. Kitzhaber, M.D., for Department of Consumer and Business Services)

## SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure **as introduced**.

Authorizes Director of Department of Consumer and Business Services to license or register, or to renew licenses or registrations for, certain financial services businesses under agreement with Nationwide Multistate Licensing System. Permits director to conform practices, procedures and information Department of Consumer and Business Services uses to license and register, or to renew licenses or registrations for, certain financial services businesses. Permits director to require license and registration applicants to provide information to Nationwide Multistate Licensing System and to waive some statutory requirements for licensing and registration by rule.

Becomes operative 91 days after effective date.

Declares emergency, effective on passage.

## A BILL FOR AN ACT

1  
2 Relating to authorizations to engage in certain financial services businesses; creating new pro-  
3 visions; amending ORS 697.500, 697.510, 697.514, 697.602, 697.632, 717.200, 717.205, 717.220,  
4 717.230 and 717.240; and declaring an emergency.

5 **Be It Enacted by the People of the State of Oregon:**

6 **SECTION 1.** ORS 697.500 is amended to read:

7 697.500. As used in ORS 697.500 to 697.555:

8 (1)(a) "Check-cashing business" means [*any*] a person that conducts a business that for a fee,  
9 service charge or other consideration provides money, credit or any other thing of value in ex-  
10 change for payment instruments.

11 (b) "Check-cashing business" does not include a financial institution as defined in ORS 706.008  
12 or an employee of a licensee.

13 (2) "Licensee" means a person licensed as a check-cashing business under ORS 697.514.

14 (3) "**Nationwide Multistate Licensing System**" means a system that the Conference of  
15 State Bank Supervisors and the American Association of Residential Mortgage Regulators,  
16 or assigns of the Conference of State Bank Supervisors or the American Association of  
17 Residential Mortgage Regulators, develop and maintain for participating state agencies to  
18 use in licensing and registering mortgage loan originators and other persons that provide  
19 nondepository financial services.

20 [(3)] (4) "Payment instrument" means:

21 (a) A check, warrant or draft issued by the federal government, a state government, a county  
22 or municipal government, or a federal or state agency;

23 (b) A payroll check; or

24 (c) A personal check, money order or any other check.

25 **SECTION 2.** ORS 697.510 is amended to read:

26 697.510. (1)(a) An applicant for a license to conduct a check-cashing business shall apply in

**NOTE:** Matter in **boldfaced** type in an amended section is new; matter [*italic and bracketed*] is existing law to be omitted. New sections are in **boldfaced** type.

1 writing [*and in*] **on a form and in a format** that the Director of the Department of Consumer and  
2 Business Services prescribes by rule.

3 **(b) The director, consistent with the requirements of ORS 697.500 to 697.555, may ad-**  
4 **minister a program to issue and renew licenses for check-cashing businesses by means of**  
5 **an agreement with the Nationwide Multistate Licensing System and may, by rule, conform**  
6 **the practices, procedures and information that the Department of Consumer and Business**  
7 **Services uses to issue or renew a license to the requirements of the Nationwide Multistate**  
8 **Licensing System.**

9 (2) An application for a license to conduct a check-cashing business must contain all of the fol-  
10 lowing:

11 (a) The applicant's name, together with any fictitious name, assumed business name or trade  
12 name the applicant uses in conducting the applicant's business;

13 (b) The name and address of all of the applicant's members, partners, officers, directors or  
14 principals, as appropriate;

15 (c) The name and address of the applicant's agent for the service of process, notice or demand,  
16 or a power of attorney that the applicant has executed and by which the applicant appoints the  
17 Director of the Department of Consumer and Business Services as the applicant's agent for service  
18 of process, notice or demand;

19 (d) The applicant's principal business address, the location of the applicant's business records  
20 and the addresses for all locations where the applicant conducts or proposes to conduct a check-  
21 cashing business; and

22 (e) Other information that the director may require concerning the applicant's financial re-  
23 sponsibility, background experience and business activities and [*those*] **the financial responsibility,**  
24 **background experience and business activities** of the applicant's members, partners, officers, di-  
25 rectors and principals.

26 (3) The director, for good cause shown **or in order to conform the department's licensing**  
27 **and license renewal program to the requirements of the Nationwide Multistate Licensing**  
28 **System**, may waive any requirement of this section with respect to any license application or may  
29 allow an applicant to submit substituted information in a license application in lieu of the informa-  
30 tion required under subsection (2) of this section.

31 **SECTION 3.** ORS 697.514 is amended to read:

32 697.514. (1) After an applicant has submitted a complete application, the Director of the De-  
33 partment of Consumer and Business Services shall review the application and may investigate the  
34 applicant's financial condition and responsibility, financial and business experience, character and  
35 general fitness to conduct a check-cashing business. The director may also determine if the applicant  
36 has complied with applicable provisions of ORS 697.500 to 697.555 and of federal law.

37 (2) The director shall issue a license to the applicant to conduct a check-cashing business at the  
38 locations identified in the application if the director finds that:

39 (a) The applicant and the applicant's members, officers, directors and principals are financially  
40 responsible, have a good character and a good reputation and are experienced and generally fit to  
41 conduct a check-cashing business efficiently, in the public interest and in accordance with law;

42 (b) The applicant has fulfilled the requirements imposed under ORS 697.510; and

43 (c) The applicant has paid the license and investigation fees required under ORS 697.512.

44 (3) A license issued under this section expires on December 31 of [*the first full calendar year*  
45 *following the year in which the license is issued*] **the calendar year in which the director issues**

1 **the license.** A licensee may not assign or transfer a license issued under this section. A licensee  
 2 may renew a license [*upon payment of*] **after paying** a license fee in an amount the director pre-  
 3 scribes by rule **and only if the licensee meets conditions that the director prescribes by rule,**  
 4 **including a condition that the licensee renew a license under the terms of the director's**  
 5 **agreement with the Nationwide Multistate Licensing System.**

6 (4) The director shall deny the application if the applicant does not meet the requirements set  
 7 forth in this section. The [*director's denial*] **director** shall **issue any denial** [*be*] in writing and shall  
 8 describe the reasons for the denial.

9 (5) If the director denies a license under this section, the applicant may request a hearing in  
 10 accordance with ORS 183.435. [*Upon*] **After** receiving the applicant's request, the director shall  
 11 grant the applicant a hearing under ORS 183.413 to 183.470.

12 **SECTION 4.** ORS 697.602 is amended to read:

13 697.602. As used in ORS 697.602 to 697.842:

14 (1) "Consumer" means an individual who is obligated or is allegedly obligated to pay a debt and  
 15 on whose behalf a debt management service provider performs or agrees to perform a debt man-  
 16 agement service.

17 (2) "Debt management service" means an activity for which a person receives money or other  
 18 valuable consideration or expects to receive money or other valuable consideration in return for:

19 (a) Receiving or offering to receive funds from a consumer for the purpose of distributing the  
 20 funds among the consumer's creditors in full or partial payment of the consumer's debts, whether  
 21 or not the person holds the consumer's funds;

22 (b) Improving or offering to improve or preserve a consumer's credit record, credit history or  
 23 credit rating;

24 (c) Modifying or offering to modify terms and conditions of an existing loan **from** or obligation  
 25 **to a third party;** or

26 (d) Obtaining or attempting to obtain as an intermediary on a consumer's behalf a concession  
 27 from a creditor including, but not limited to, a reduction in the principal, interest, penalties or fees  
 28 associated with a debt.

29 (3) "Debt management service provider" means a person that:

30 (a) Resides or does business in this state; and

31 (b) Provides or performs, or represents that the person can or will provide or perform a debt  
 32 management service in return for or in expectation of money or other valuable consideration.

33 (4) "**Nationwide Multistate Licensing System**" means a system that the Conference of  
 34 **State Bank Supervisors and the American Association of Residential Mortgage Regulators,**  
 35 **or assigns of the Conference of State Bank Supervisors or the American Association of**  
 36 **Residential Mortgage Regulators, develop and maintain for participating state agencies to**  
 37 **use in licensing and registering mortgage loan originators and other persons that provide**  
 38 **nondepository financial services.**

39 [(4)] (5) "Nonprofit entity" means a person, corporation, organization, board, association or  
 40 other entity described in 26 U.S.C. 501(c)(3), as in effect on June 26, 2009, that is exempt from tax-  
 41 ation under 26 U.S.C. 501(a).

42 **SECTION 5.** ORS 697.632 is amended to read:

43 697.632. (1)(a) The Director of the Department of Consumer and Business Services shall main-  
 44 tain a registry of debt management service providers and by rule in accordance with ORS chapter  
 45 183 shall require a person that performs a debt management service, unless the person is exempt

1 under ORS 697.612 (3), to apply to the director to register or to renew a registration as a debt  
2 management service provider.

3 **(b) The director, consistent with the requirements of ORS 697.602 to 697.842, may ad-**  
4 **minister a program to register debt management service providers, or renew registrations,**  
5 **by means of an agreement with the Nationwide Multistate Licensing System and may, by**  
6 **rule, conform the practices, procedures and information that the Department of Consumer**  
7 **and Business Services uses to register a debt management service provider, or renew a**  
8 **registration, to the requirements of the Nationwide Multistate Licensing System.**

9 (c) An [*applicant*] **application** for registration or renewal [*shall*] **must** provide to the director  
10 on a form and in a [*manner*] **format** the director specifies:

11 [(a)] **(A)** The applicant's name and address;

12 [(b)] **(B)** Any assumed business names, trade names or other identities under which the applicant  
13 performs a debt management service;

14 [(c)] **(C)** A general description of the debt management service business activities the applicant  
15 undertakes or proposes to undertake;

16 [(d)] **(D)** The names of any managing members, managing partners, executive officers, directors,  
17 principals or agents the applicant has;

18 [(e)] **(E)** The name of the applicant's registered agent or the applicant's agent for the purpose  
19 of receiving service of legal process;

20 [(f)] **(F)** A signed statement that identifies and describes in detail any incident in which the  
21 applicant or a member, partner, officer, director or principal of the applicant within the five years  
22 before the date on which the applicant applied to register or renew a registration as a debt man-  
23 agement service provider was subject to:

24 [(A)] **(i)** A judgment in favor of another person in a circuit court of this state or in an equivalent  
25 court in another state;

26 [(B)] **(ii)** An arbitration award in favor of another person; or

27 [(C)] **(iii)** An adverse final order from an administrative agency in this state or another state;

28 [(g)] **(G)** A copy of the corporate surety bond the applicant filed with the director under ORS  
29 697.642; and

30 [(h)] **(H)** Other information the director may require concerning the financial responsibility,  
31 training, background, experience and business activities of the applicant or a member, partner, offi-  
32 cer, director or principal of the applicant.

33 (2) At the time an applicant submits an application for registration under this section, the ap-  
34 plicant shall pay a nonrefundable fee in an amount the director specifies by rule. An applicant who  
35 applies to renew a registration shall pay another fee in an amount the director specifies by rule.

36 (3) The director shall specify amounts for the fees described in subsection (2) of this section that  
37 in the aggregate are sufficient to pay the costs of administering ORS 697.602 to 697.842. The director  
38 shall pay all moneys received under this section as provided in ORS 697.842.

39 (4) A registration under this section is valid [*for two years*] **until December 31 of the calendar**  
40 **year in which the director approves the registration.** In order to continue to provide a debt  
41 management service, a debt management service provider must renew the registration [*at the end*  
42 *of the two-year period*] **at the time the registration expires.**

43 (5)(a) The director may refuse to register the applicant or may refuse to renew a registration  
44 for a debt management service provider for any of the reasons set forth in ORS 697.752.

45 **(b) The director, for good cause shown or in order to conform the department's licensing**

1 **and license renewal program to the requirements of the Nationwide Multistate Licensing**  
 2 **System, may waive a requirement of this section with respect to a license application or may**  
 3 **allow an applicant to substitute information required in an application in lieu of information**  
 4 **required under this section.**

5 **SECTION 6.** ORS 717.200 is amended to read:

6 717.200. As used in ORS 717.200 to 717.320, 717.900 and 717.905, unless the context requires  
 7 otherwise:

8 (1) "Applicant" means a person [*filing*] **that files** an application for a license under ORS 717.200  
 9 to 717.320, 717.900 and 717.905.

10 (2) "Authorized delegate" means a person [*designated by the*] **that a licensee designates** under  
 11 the provisions of ORS 717.200 to 717.320, 717.900 and 717.905 to sell or issue payment instruments  
 12 or engage in the business of transmitting money on **the licensee's** behalf [*of a licensee*].

13 (3) "Control" means [*the possession*] **possessing**, directly or indirectly, [*of*] the power to direct  
 14 or cause the direction of [*the*] **a person's** management and policies [*of a person*], whether through  
 15 ownership of voting securities, by contract or otherwise.

16 (4) "Controlling person" means any person in control of a licensee or applicant for a license.

17 (5) "Controlling shareholder" means any person, or group of persons acting in concert, that  
 18 owns 25 percent or more of any voting class of an applicant's stock.

19 [(6) "Director" means the Director of the Department of Consumer and Business Services.]

20 [(7) (6)(a) "Electronic instrument" means a card or other tangible object for [*the transmission*  
 21 *or payment of*] **transmitting or paying** money that contains a microprocessor chip, magnetic stripe  
 22 or other means for [*the storage of*] **storing** information, that is prefunded and for which the value  
 23 is decremented upon each use.

24 (b) "Electronic instrument" does not include a card or other tangible object that [*is redeemable*  
 25 *by*] the issuer **may redeem** in the issuer's goods or services.

26 [(8) (7) "Executive officer" means the licensee's president, chairperson of the executive com-  
 27 mittee, senior officer responsible for the licensee's business, chief financial officer and any other  
 28 person who performs similar functions.

29 [(9) (8) "Licensee" means a person licensed under ORS 717.200 to 717.320, 717.900 and 717.905.

30 [(10) (9) "Material litigation" means any litigation that, according to generally accepted ac-  
 31 counting principles, is [*deemed*] significant to an applicant's or licensee's financial health and [*would*  
 32 *be required to be referenced in the applicant's or*] **to which the applicant or licensee must refer**  
 33 **in the applicant's or licensee's** annual audited financial statements, report to shareholders or sim-  
 34 ilar documents.

35 (10) "Money" means a medium of exchange that:

36 (a) **The United States or a foreign government authorizes or adopts; or**

37 (b) **Represents value that substitutes for currency but that does not benefit from gov-**  
 38 **ernment regulation requiring acceptance of the medium of exchange as legal tender.**

39 (11) "Money transmission" means [*the sale or issuance of*] **selling or issuing** payment instru-  
 40 ments or engaging in the business of receiving money for transmission, or transmitting money within  
 41 the United States or to locations abroad by any and all means, including but not limited to payment  
 42 instrument, wire, facsimile or electronic transfer.

43 (12) "Nationwide Multistate Licensing System" means a system that the Conference of  
 44 State Bank Supervisors and the American Association of Residential Mortgage Regulators,  
 45 or assigns of the Conference of State Bank Supervisors or the American Association of

1 **Residential Mortgage Regulators, develop and maintain for participating state agencies to**  
 2 **use in licensing and registering mortgage loan originators and other persons that provide**  
 3 **nondepository financial services.**

4 [(12)] (13)(a) “Payment instrument” means any electronic or written check, draft, money order,  
 5 traveler’s check or other electronic or written instrument or order for *[the transmission or payment*  
 6 *of]* **transmitting or paying** money, sold or issued to one or more persons, whether or not the in-  
 7 strument is negotiable.

8 (b) “Payment instrument” does not include any credit card voucher, any letter of credit or any  
 9 instrument that is redeemable by the issuer in goods or services.

10 [(13)] (14) “Outstanding payment instrument” means any payment instrument *[issued by a*  
 11 *licensee that has been]* **that a licensee issued and** sold in the United States, *[directly by the licensee*  
 12 *or any payment instrument]* **or that a licensee** issued *[by a licensee that has been]* **and an author-**  
 13 **ized delegate of the licensee** sold in the United States *[by an authorized delegate of the licensee],*  
 14 **and** that has been reported to the licensee as having been sold *[and]* **but** that has not yet been paid  
 15 by or for the licensee.

16 [(14)] (15) “Permissible investments” means:

17 (a) Cash;

18 (b) Certificates of deposit or other debt obligations of a financial institution, either domestic or  
 19 foreign;

20 (c) Bills of exchange or time drafts drawn on and accepted by a commercial bank, otherwise  
 21 known as bankers’ acceptances, that are eligible for purchase by member banks of the Federal Re-  
 22 serve System;

23 (d) Any investment security bearing a rating of one of the three highest grades as defined by a  
 24 nationally recognized organization that rates such securities;

25 (e) Investment securities that are obligations of the United States Government, *[its]* **or** agencies  
 26 or instrumentalities **of the United States Government**, or obligations that *[are guaranteed]* **the**  
 27 **United States guarantees** fully as to principal and interest *[by the United States]*, or any obli-  
 28 gations of any state, municipality or any political subdivision *[thereof]* **of a state or municipality**;

29 (f) Shares in a money market mutual fund, interest-bearing bills, notes or bonds, debentures or  
 30 stock traded on any national securities exchange or national market system, mutual funds primarily  
 31 composed of such securities or a fund composed of one or more permissible investments as set forth  
 32 herein;

33 (g) Any demand borrowing agreement or agreements made *[to]* **with** a corporation or a subsid-  
 34 iary of a corporation *[whose]* **the** capital stock **of which** is listed on a national securities exchange;

35 (h) Receivables that are due to a licensee from the licensee’s authorized delegates under a con-  
 36 tract described in ORS 717.270 and that are not past due or doubtful of collection; or

37 (i) Any other investments or security device approved by the Director of the Department of  
 38 Consumer and Business Services.

39 [(15)] (16) “Person” means *[any]* **an** individual, partnership, association, joint stock association,  
 40 limited liability company, trust or corporation.

41 [(16)] (17) “Remit” means either to *[make direct payment of the]* **pay** funds **directly** to a licensee  
 42 or representatives of a licensee authorized to receive *[those]* **the** funds, or to deposit the funds in  
 43 a bank, credit union or savings and loan association or other similar financial institution in an ac-  
 44 count **that the licensee specifies** *[specified by the licensee]*.

45 [(17)] (18) “Security device” means a surety bond, irrevocable letter of credit issued by an in-

1 sured institution as defined in ORS 706.008 or other similar security acceptable to the Director of  
2 the Department of Consumer and Business Services.

3 **SECTION 7.** ORS 717.205 is amended to read:

4 717.205. (1) A person, other than a person that is exempt under ORS 717.210, may not conduct  
5 a money transmission business without a license [*as provided in*] **that the Director of the De-**  
6 **partment of Consumer and Business Services issues in accordance with** ORS 717.200 to  
7 717.320, 717.900 and 717.905.

8 (2) A licensee may conduct business in this state at one or more locations that [*are directly or*  
9 *indirectly owned by*] the licensee **owns directly or indirectly**, [*or*] through one or more authorized  
10 delegates, or both. A licensee is required to obtain only one license under ORS 717.200 to 717.320,  
11 717.900 and 717.905.

12 (3) [*The conduct of*] **Conducting** a money transmission business [*by itself*] does not **alone** con-  
13 stitute banking or branch banking for the purposes of the Bank Act.

14 (4) The director [*of the Department of Consumer and Business Services*] has jurisdiction over a  
15 person [*conducting*] **that conducts** a money transmission business whether or not the person is a  
16 licensee or authorized delegate.

17 **(5) The director, consistent with the requirements of ORS 717.200 to 717.320, 717.900 and**  
18 **717.905, may administer a program to issue and renew licenses for money-transmission**  
19 **businesses by means of an agreement with the Nationwide Multistate Licensing System.**

20 **SECTION 8.** ORS 717.220 is amended to read:

21 717.220. (1)(a) [*Each application*] **A person shall apply** for a license under ORS 717.200 to  
22 717.320, 717.900 and 717.905 [*shall be made*] in writing [*in*] **on** a form **and in a format** [*prescribed*  
23 *by rule by*] the Director of the Department of Consumer and Business Services **prescribes by rule.**

24 **(b) The director, by rule, may conform the practices, procedures and information that**  
25 **the Department of Consumer and Business Services uses to issue and renew licenses for**  
26 **conducting a money transmission business to the requirements of the Nationwide Multistate**  
27 **Licensing System.**

28 (2) For all applicants, the application [*shall*] **must** contain:

29 (a) The **applicant's** exact name [*of the applicant, the applicant's*] **and** principal address, any fic-  
30 titious name, assumed business name or trade name [*used by*] the applicant [*in the*] **uses to** conduct  
31 [*of its*] business and the location of the applicant's business records;

32 (b) The history of the applicant's material litigation and criminal convictions for the five-year  
33 period [*prior to*] **before** the date of the application;

34 (c) A history of operations and a description of the business activities in which the applicant  
35 seeks to [*be engaged*] **engage** in this state;

36 (d) A list [*identifying*] **of** the applicant's proposed authorized delegates in the state, if any, at the  
37 time [*of the filing of*] **the applicant files the** license application;

38 (e) A sample authorized delegate contract, if applicable;

39 (f) A sample form of payment instrument, if applicable;

40 (g) The address of each location at which the applicant and [*its*] **the applicant's** authorized  
41 delegates, if any, propose to conduct a money transmission business in this state;

42 (h) The name and address of the clearing bank or banks on which the applicant's payment in-  
43 struments will be drawn or through which [*such*] **the** payment instruments will be payable; and

44 (i) A business plan.

45 (3) If the applicant is a corporation, the application [*shall*] **must** contain:

1 (a) The date of the applicant's incorporation and state of incorporation;

2 (b) A certificate of good standing from the state in which the applicant was incorporated;

3 (c) A description of the corporate structure of the applicant, including the identity of any parent  
4 or subsidiary of the applicant, and the disclosure of whether any parent or subsidiary is publicly  
5 traded on any stock exchange;

6 (d) The name, business and residence address[,] and employment history for the past five years  
7 of the applicant's executive officers and the officers or managers who will be in charge of the  
8 applicant's money transmission business;

9 (e) The name, business and residence address[,] **of the applicant's controlling shareholders**  
10 **and the controlling shareholders'** employment [*history*] **histories** for the five-year period [*prior*  
11 *to*] **before** the date of the application [*of any controlling shareholder of the applicant*];

12 (f) The history of material litigation and criminal convictions for **all of the applicant's execu-**  
13 **tive officers and controlling shareholders in** the five-year period [*prior to*] **before** the date of the  
14 application [*of every executive officer or controlling shareholder of the applicant*];

15 (g) A copy of the applicant's most recent audited financial statement, including balance sheet,  
16 statement of income or loss, statement of changes in shareholder equity and statement of changes  
17 in financial position and, if available, a copy of the applicant's audited financial statements for the  
18 immediately preceding two-year period. If the applicant is a wholly owned subsidiary of another  
19 corporation, the applicant may submit either the parent corporation's consolidated audited financial  
20 statements for the current year and for the immediately preceding two-year period, or the parent  
21 corporation's Form 10K reports filed with the United States Securities and Exchange Commission  
22 for the prior three years, in lieu of the applicant's financial statements. If the applicant is a wholly  
23 owned subsidiary of a corporation [*having its*] **with a** principal place of business outside the United  
24 States, **the applicant may submit** similar documentation filed with the parent corporation's foreign  
25 regulator [*may be submitted*] to satisfy the requirements of this paragraph; and

26 (h) Copies of all filings, if any, [*made by*] the applicant **made** with the United States Securities  
27 and Exchange Commission, or with a similar regulator in a country other than the United States,  
28 within the year preceding the date of the application.

29 (4) If the applicant is not a corporation, the application [*shall*] **must** contain:

30 (a) The name, business and residence address, personal financial statement and employment  
31 history for the past five years of each principal of the applicant and the name, business and resi-  
32 dence address, and employment history for the past five years of any other person [*or persons*] that  
33 will be in charge of the applicant's money transmission business;

34 (b) The history of material litigation and criminal convictions [*for*] **in** the five-year period [*prior*  
35 *to*] **before** the date of the application for each individual [*having*] **who has** any ownership interest  
36 in the applicant and each individual who exercises supervisory responsibility with respect to the  
37 applicant's activities; and

38 (c) Copies of the applicant's audited financial statements, including balance sheet, statement of  
39 income or loss, and statement of changes in financial position, for the current year and, if available,  
40 a copy of the applicant's audited financial statements for the immediately preceding two-year period.

41 (5) The director, for good cause shown **or in order to conform the department's licensing**  
42 **and license renewal program to the requirements of the Nationwide Multistate Licensing**  
43 **System**, may waive any requirement of this section with respect to any license application or may  
44 allow an applicant to submit substituted information in a license application in lieu of the informa-  
45 tion required under subsection (2) of this section.



1       **SECTION 9.** ORS 717.230 is amended to read:

2       717.230. *[Each application shall be accompanied by a nonrefundable application fee in the amount*  
 3 *of \$1,000, payable to the Director of the Department of Consumer and Business Services. The appli-*  
 4 *cation fee shall also constitute the license fee for the applicant's first year of activities if the license is*  
 5 *granted.] At the time an applicant submits an application, the applicant shall pay to the Di-*  
 6 *rector of the Department of Consumer and Business Services a fee of \$1,000 for a license*  
 7 *term that expires at the end of the calendar year in which the applicant submitted the ap-*  
 8 *plication.*

9       **SECTION 10.** ORS 717.240 is amended to read:

10       717.240. (1)(a) **To renew a license**, each licensee shall pay to the Director of the Department  
 11 of Consumer and Business Services a nonrefundable annual fee of \$500 or *[such other fee as estab-*  
 12 *lished by the director by rule, not to exceed \$1,000, for renewal of a license.] a fee that the director*  
 13 **sets by rule in an amount that does not exceed \$1,000.**

14       **(b) In addition to paying the fee described in paragraph (a) of this subsection, a licensee**  
 15 **shall provide information necessary for the director to evaluate the licensee's renewal ap-**  
 16 **plication. The director shall prescribe the information required by rule. The director may**  
 17 **require a licensee to renew a license under the terms of the director's agreement with the**  
 18 **Nationwide Multistate Licensing System.**

19       (2) At the time the licensee pays the renewal fee, the licensee shall submit an annual *[renewal]*  
 20 report **on a date and in a form and format** *[prescribed by]* the director **prescribes by rule.** The  
 21 annual *[renewal]* report *[shall]* **must describe the condition and operations of the money**  
 22 **transmission business during the preceding calendar year and must include:**

23       (a) A copy of the licensee's most recent audited consolidated annual financial statement, in-  
 24 cluding a balance sheet, statement of income or loss, statement of changes in shareholder equity and  
 25 statement of changes in financial position. In the case of a licensee that is a wholly owned subsidi-  
 26 ary of another corporation, the consolidated audited annual financial statement of the parent cor-  
 27 poration may be filed in lieu of the licensee's audited annual financial statement[;].

28       (b) For the most recent quarter for which data are available *[prior to]* **before** the date of the  
 29 renewal application, but not more than 120 days *[prior to]* **before** the renewal date, a description  
 30 of the number of payment instruments *[sold by]* the licensee **sold** in this state, the dollar amount  
 31 of *[those]* **the payment** instruments and the dollar amount of *[those]* **payment** instruments currently  
 32 outstanding[;].

33       (c) A description of any material changes to any of the information *[submitted by]* the licensee  
 34 **submitted** on the licensee's original application that *[have]* **the licensee has** not previously *[been]*  
 35 reported to the director on any other report required to be filed with the director[;].

36       (d) A list of the licensee's permissible investments[; and].

37       (e) A list of the locations within this state at which **the licensee or an authorized delegate**  
 38 **of the licensee is conducting** business regulated by ORS 717.200 to 717.320, 717.900 and 717.905  
 39 *[is being conducted by either the licensee or its authorized delegate].*

40       *[(3) If a licensee has not filed a renewal report or paid the renewal fee before the license expires,*  
 41 *and has not been granted an extension of time to do so by the director, the director shall hold a hearing*  
 42 *at which the licensee may show cause as to why the license should not be suspended pending compli-*  
 43 *ance with the requirements of this section. The director shall notify the licensee in writing of the*  
 44 *licensee's rights under this subsection. The licensee may waive the hearing.]*

45       **SECTION 11.** The amendments to ORS 697.500, 697.510, 697.514, 697.602, 697.632, 717.200,

1 717.205, 717.220, 717.230 and 717.240 by sections 1 to 10 of this 2015 Act apply to licenses and  
2 registrations, or renewals of licenses or registrations, that the Director of the Department  
3 of Consumer and Business Services issues on or after the operative date specified in section  
4 12 of this 2015 Act.

5 **SECTION 12.** (1) The amendments to ORS 697.500, 697.510, 697.514, 697.602, 697.632,  
6 717.200, 717.205, 717.220, 717.230 and 717.240 by sections 1 to 10 of this 2015 Act become oper-  
7 ative 91 days after the effective date of this 2015 Act.

8 (2) The Director of the Department of Consumer and Business Services may take any  
9 action before the operative date specified in subsection (1) of this section that is necessary  
10 to enable the director to exercise, on and after the operative date specified in subsection (1)  
11 of this section, all of the duties, functions and powers conferred on the director by the  
12 amendments to ORS 697.500, 697.510, 697.514, 697.602, 697.632, 717.200, 717.205, 717.220, 717.230  
13 and 717.240 by sections 1 to 10 of this 2015 Act.

14 **SECTION 13.** This 2015 Act being necessary for the immediate preservation of the public  
15 peace, health and safety, an emergency is declared to exist, and this 2015 Act takes effect  
16 on its passage.

17 \_\_\_\_\_