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MEMORANDUM

To: Chairman Longbine and the Senate Committee on Financial Institutions and Insurance
From: Office of Revisor of Statutes
Date: February 7, 2024
Subject: **SB 406: Enacting the Kansas Money Transmission Act**

SB 406 repeals the current Kansas money transmitter act (K.S.A. 9-508 et seq.) consisting of 12 statutes and would enact the Kansas Money Transmission Act in its stead, consisting of 42 provisions of law. The Kansas Money Transmission Act is largely based on the CSBS Model Money Transmission Modernization Act.

The Kansas Money Transmission Act can be largely grouped into 10 different topics. These are:

1. Definitions
2. Exemptions
3. Implementation, confidentiality, supervision and relationship to Federal Law
4. Licenses
5. Acquisition of control
6. Reporting and records
7. Authorized delegates
8. Disclosures
9. Fiscal standards
10. Enforcement

The act also contains a severability clause stating that if any of the provisions is found invalid or unconstitutional, or the application of any portion of the act to any person is held unconstitutional or invalid, then that invalidity will not affect the provisions of the rest of the act that can be given effect without the invalid portion or application and the applicability of the rest of the act that remain valid and enforceable.

Attached is a table with a brief summary of the bill sections belonging under each topic and a very brief description of each section.