



Money Services Business Association  
29 Valley View Terrace  
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July 5, 2022

Kathy Lawson  
900 Pennsylvania Ave., Suite 306  
Charleston, WV 25302

**Re: Rule Pertaining to Money Transmission Services, Title-Series 106-23**

Dear Ms. Lawson,

The MSBA is one of the nation’s largest trade associations focused on the non-bank money services industry. Its membership includes licensed money transmitters and their agents and/or authorized delegates, payment card issuers, and distributors, payment processors, international remittance companies, bill payment companies, mobile payment application providers, payment aggregators, virtual currency exchanges and administrators, money orders, eWallet providers and other similar money services providers that are engaged in payments. For additional information about our membership, please see: [www.msbassociation.org](http://www.msbassociation.org).

The MSBA worked along with other industry representatives and State regulators to create the Uniform Money Transmission Modernization Act, also known as the Money Transmitter Model Law.

We appreciate the opportunity to provide our comments on Title-Series Rule 106-23, which establishes the provisions related to the regulation of money transmission services implemented in West Virginia Code 32A-2-1.

We request that the following language be added to the Rule to provide clarity on the types of Permissible Investments that are covered. These were part of the original CSBS Uniform Money Transmission Modernization Act.

**Recommended Addition to Proposed Section 106-23-3. Permissible Investments:**

**3.1.b**

*Unless permitted by the commissioner by rule or by order to exceed the limit as set forth herein, the following investments are permissible to the extent specified: (1) receivables that are payable to a licensee from its authorized delegates in the ordinary course of business that are less than seven days old, up to 50% of the aggregate value of the licensee's total permissible investments; (2) of the receivables permissible under Section 32A-2-8b(e), receivables that are payable to a licensee from a single authorized delegate in the ordinary course of business may not exceed 10% of the aggregate value of the licensee's total permissible investments; (3) the following investments are permissible up to 20% per category and combined up to 50% of the aggregate value of the licensee's total permissible investments: (A) A short-term (up to six months) investment bearing an eligible rating; (B) Commercial paper bearing an eligible rating; (C) A bill, note, bond, or*



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*debenture bearing an eligible rating; (D) U.S. tri-party repurchase agreements collateralized at 100% or more with U.S. government or agency securities, municipal bonds, or other securities bearing an eligible rating; (E) Money market mutual funds rated less than "AAA" and equal to or higher than "A-" by S&P, or the equivalent from any other eligible rating service; and (F) A mutual fund or other investment fund composed solely and exclusively of one or more of the permissible investments listed above.*

**3.1.c**

*Cash (including demand deposits, savings deposits, and funds in such accounts held for the benefit of the licensee's customers) at foreign depository institutions are permissible up to 10% of the aggregate value of the licensee's total permissible investments if the licensee has received a satisfactory rating in its most recent examination and the foreign depository institution:*

- (A) has an eligible rating;*
- (B) is registered under the Foreign Account Tax Compliance Act;*
- (C) is not located in any country subject to sanctions from the Office of Foreign Asset Control; and*
- (D) is not located in a high-risk or non-cooperative jurisdiction as designated by the Financial Action Task Force.*

We recognize the importance to standardization, but also note that small and mid-size businesses will take longer to implement some of the requirements. As such, while proposed Section 3.3.3 notes that a licensee may be subject to penalties for non-compliance beginning July 1, 2023, we respectfully request that licensees be given until December 31, 2023, to fully implement the requirements.

Thank you for consideration of our comments. We are happy to meet with you to discuss our comments and answer any questions.

Sincerely,

Kathy Tomasofofsky, Executive Director  
Money Services Business Association, Inc