

ALASKA STATE LEGISLATURE



REPRESENTATIVE ZACK FIELDS

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Sponsor Statement

House Bill 99

Alaska Uniform Money Transmission Modernization Act

House Bill 99 amends and modernizes the Alaska Uniform Money Services Act (“Act”) (AS 06.55). The Act provides the legal framework for money transmission functions, including currency exchange, transfer (or wiring) of money, and loading and reloading of payment instruments including stored-value cards.

HB 99 is a generational update to Alaska’s money transmission laws. Money transmission in Alaska today is primarily mobile payment applications like Venmo and Cash App, and, to a lesser extent, cryptocurrency. Mobile payments and cryptocurrency did not exist when the current law was written. This legislation updates the licensing, recordkeeping, and enforcement provisions to support these business activities and protect Alaska consumers.

HB 99 is based on a uniform law drafted by the Conference of State Bank Supervisors, the money transmission industry, and state regulators. As of January 2024, 22 states have adopted the model law and three have adopted it in part. There are numerous letters of support from money transmission trade associations and the Alaska Bankers Association.

In calendar year 2023, there was over \$4.5 billion in money transmission conducted in over 25 million transactions to, from, and within the state of Alaska. In 2023, there were 180 companies licensed in Alaska to conduct money transmission.

We encourage passage of HB 99 to modernize Alaska’s financial service laws.