

**Alaska Uniform Money Transmission  
Modernization Act  
HB 99**

House Labor and Commerce Committee

February 21, 2025

# What does this bill do?

## HB 99:

- Is a generational update to financial laws to accommodate new technologies and ensure uniformity. It is a model law developed by the Conference of State Bank Supervisors (CSBS) in collaboration with industry stakeholders and state regulators, adopted by 22 states.
- Reduces regulatory burden by streamlining licensing, renewal, and examinations.
- Facilitates innovative financial products and services, such as virtual currency and digital assets, while broadly strengthening consumer protection around those assets.
- Ensures DBS can coordinate with other states in all areas of regulation, licensing, and supervision to reduce regulatory burden on the industry and more effectively utilize regulator resources.

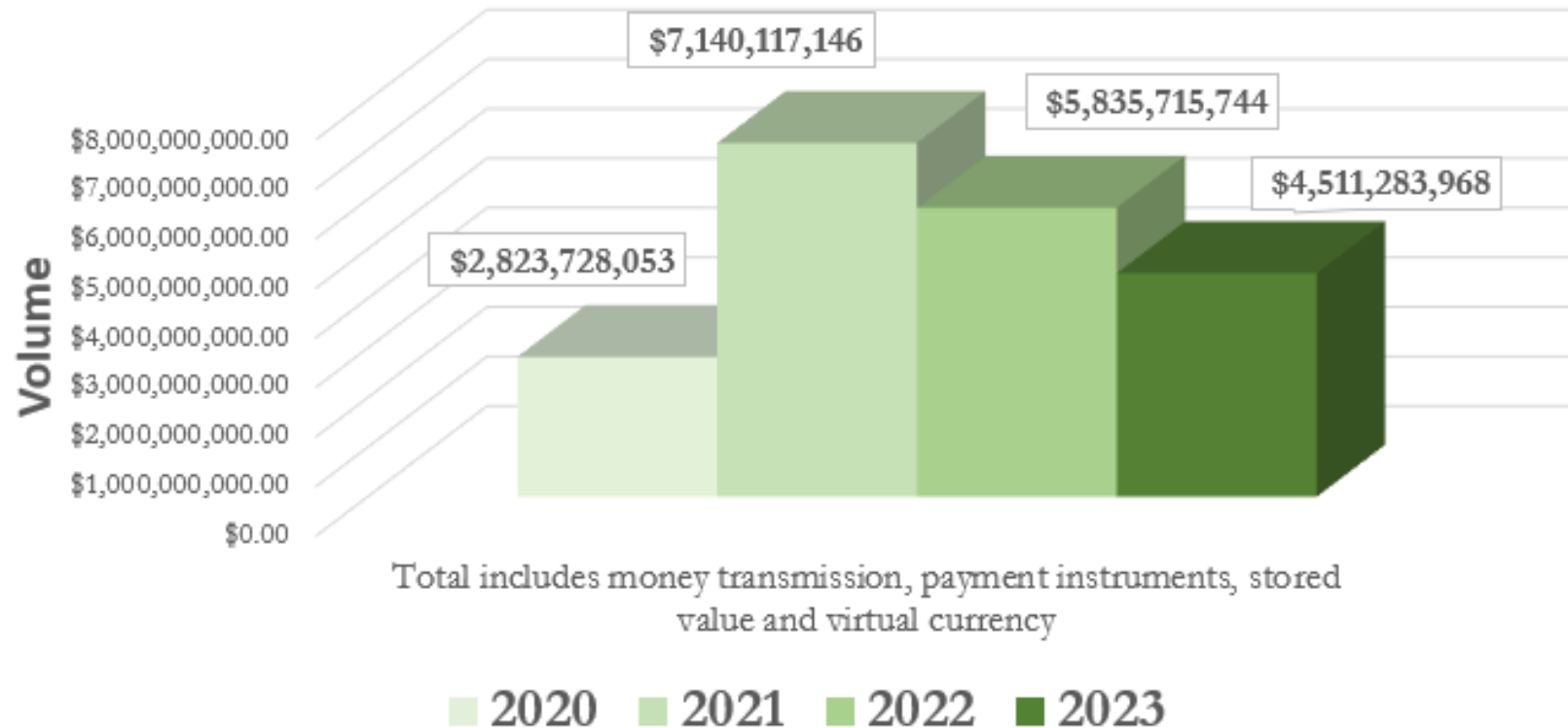
# Background

**This legislation amends and modernizes the Alaska Uniform Money Services Act (AS 06.55) and adopts pertinent sections of the Uniform Money Transmission Modernization Act (Model Law).**

- In 2008, money transmission was sending a wire transfer at your local grocery store or purchasing a money order or traveler's checks at the bank.
- This bill will modernize Alaska's money transmission statutes to directly include cryptocurrency (aka "virtual currency" such as Bitcoin and Ethereum).
- Effective January 1, 2023, DBS adopted regulations to include crypto in current law as an interim solution.
- As of January 15, 2025, 22 states have enacted the full Model Law, and three states have partially enacted the Model Law.

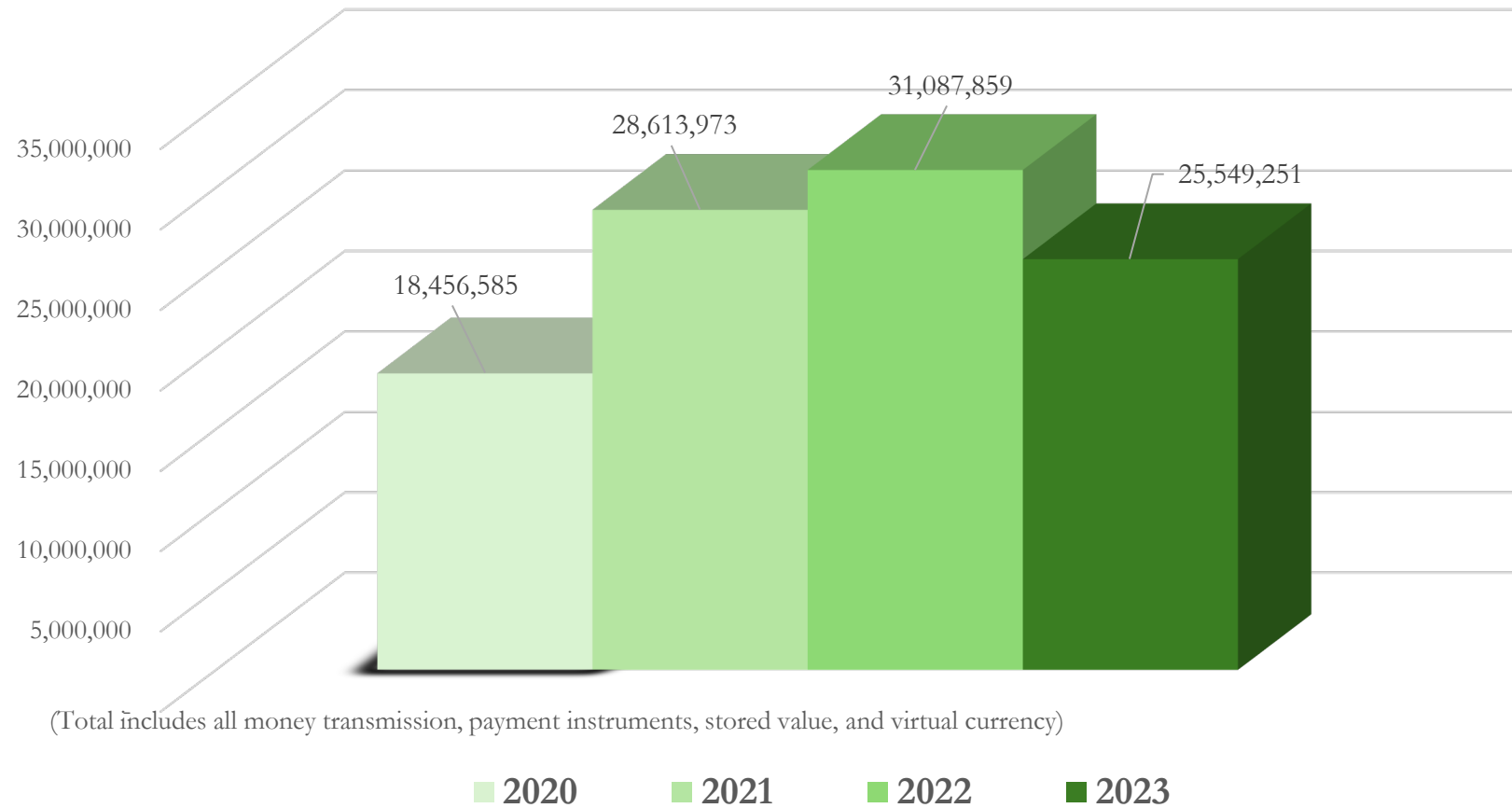
# Money Transmission Volume

## Annual Alaska Money Transmission Volume



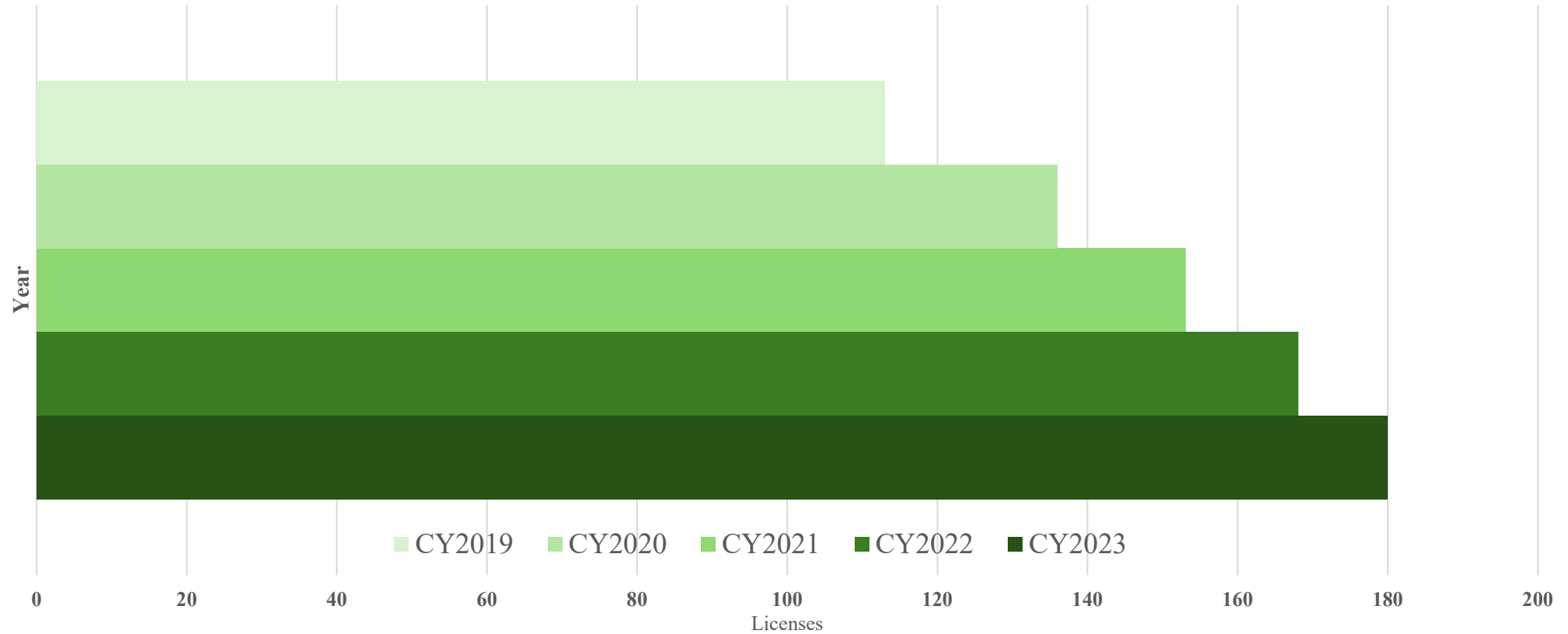
# Alaska Money Transmission Transactions

Total Number of Transactions during Calendar Year



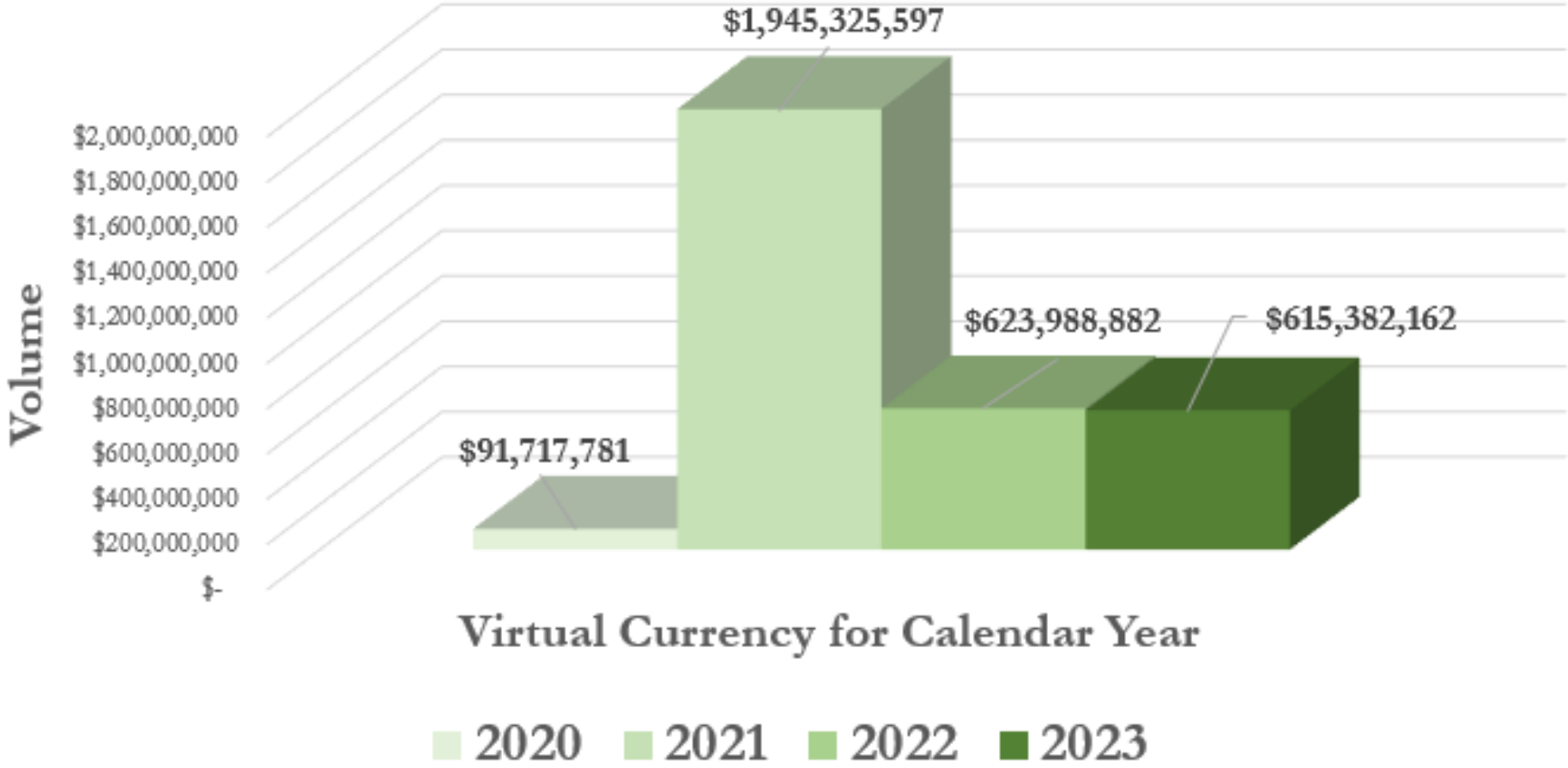
# Money Transmission Licensees

CY2019	CY2020	CY2021	CY2022	CY2023
113	136	153	168	180



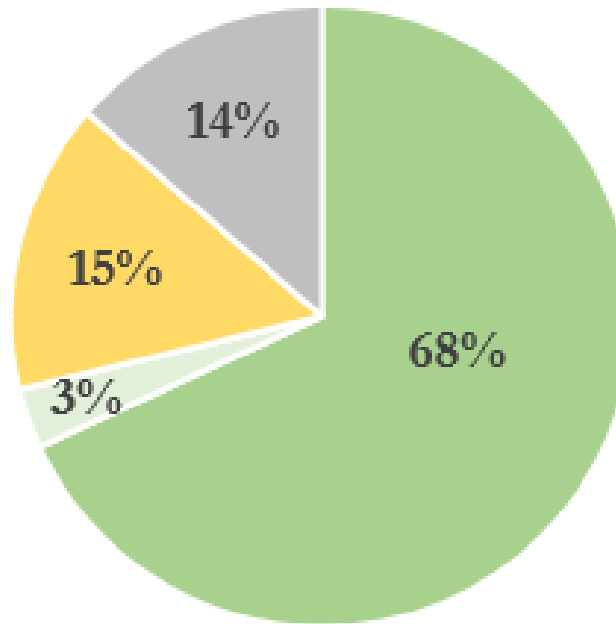
# Money Transmission Volume - Cryptocurrency

Virtual currency transmission was nearly 1/3 of total volume in Alaska in 2021



# What types of transmissions happen in Alaska?

## 2023 Money Transmitted Based on Value



■ Money Transmission 68%

■ Payment Instruments 3%

■ Stored Value 15%

■ Virtual Currency 14%



# Why regulate money transmission at all?

- 49 states and six territories regulate money transmission.
- Industry wants this bill adopted.
- No industry stakeholder or state regulator wants federal pre-emption.
- DBS is uniquely qualified to protect Alaskans.
- States have licensed and regulated transmitters of money for over 100 years.
- States have the expertise and examination infrastructure that the feds completely lack. States can pivot and react more quickly as events transpire.

# Why is this bill important?

## This bill will:

- Foster innovation and reduce regulatory burden
- Protect consumers
- Adopt a Model Law that industry drafted with state regulators
- Prevent federal pre-emption by creating uniform statutes across the country
- Allow the division to have the ability to update fees and activities that require a license in regulation to keep up with technology and innovation with this ever-evolving financial industry

**In 2023, Alaskans sent or received over 25 million money transmission transactions worth \$4.5 billion, most of them involving technology that did not exist when the current law was written.**

Thank you!