

# ALASKA BANKERS ASSOCIATION

ELECTRONIC MAIL

February 20, 2025

Senator Jesse Kiehl Representative Zack Fields  
Alaska State Senate Alaska State House of Representatives  
State Capitol State Capitol  
Juneau, AK 99801 Juneau, AK 99801

Re: Support SB 86 and HB 99, the Alaska Uniform Money Transmission Modernization Act

Dear Senator Kiehl and Representative Fields:

The Alaska Bankers Association (AKBA) appreciates the opportunity to support SB 86 and HB 99, legislation to modernize the Alaska Uniform Money Services Act.

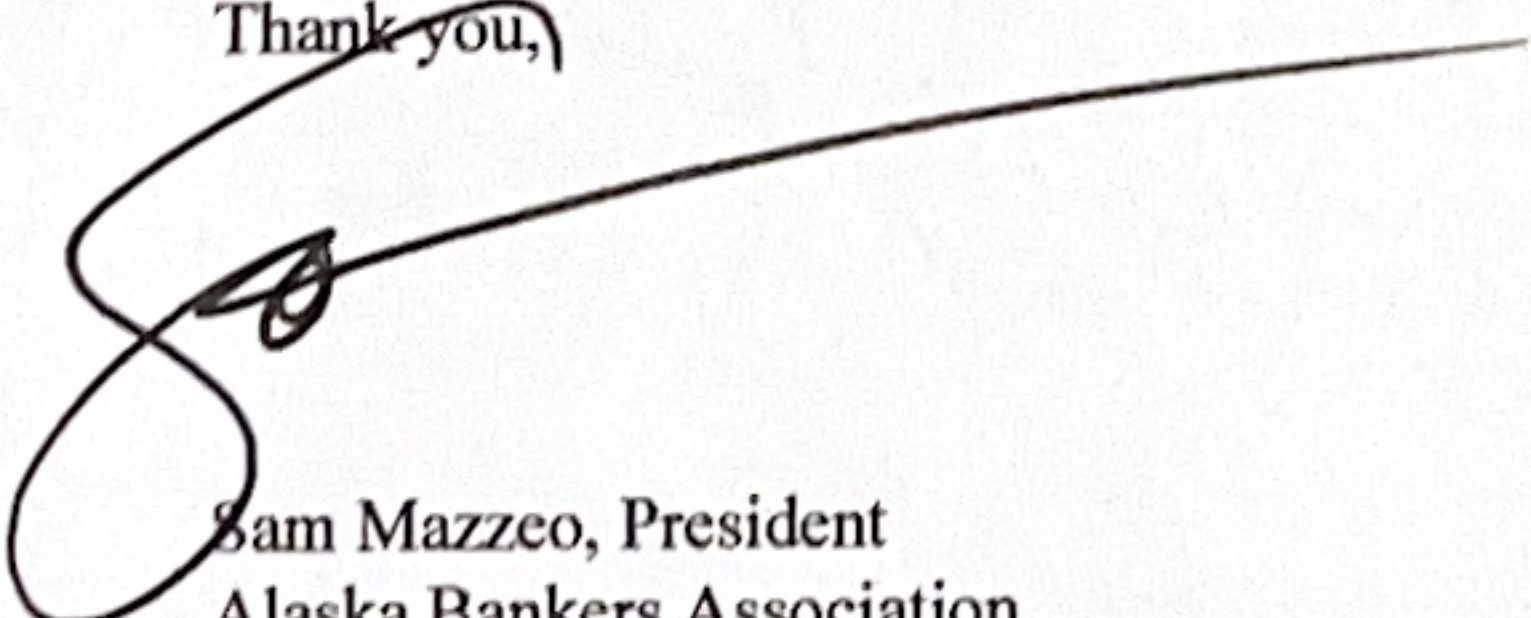
The Act's focus on modernizing the existing framework for money transmission is critical in light of the rapid evolution of financial technology and the increasing use of digital payments. AKBA subscribes to the idea that "same activity, same risk, same regulation"; businesses engaging in similar activities should be subject to the same level of regulation. This principle is critical in ensuring a level playing field for businesses and promoting fair competition, while protecting Alaska consumers.

The Act includes important provisions to protect consumers from fraud and other forms of financial abuse. For example, the requirement for criminal background checks through the Nationwide Multistate Licensing System and Registry will ensure that individuals with a history of financial crimes or other criminal activities are not involved in the money transmission business. The requirement for money transmitters to maintain a surety bond or other form of security will ensure that consumers are protected in the event of insolvency or other financial difficulties. The Act also enables state regulators to coordinate with other states in areas of regulation, licensing, and supervision to reduce regulatory burden on the industry.

AKBA recognizes that as the money transmission industry grows, regulatory costs associated with supervision must keep pace with that growth. The Act addresses this issue by allowing state regulators to adjust supervision fees to reflect changes in the size and complexity of the money transmission industry.

AKBA believes SB 86 and HB 99, as currently drafted, are well-crafted and necessary pieces of legislation that will benefit both businesses and consumers. We urge the Legislature to support passage into law.

Thank you,



Sam Mazzeo, President  
Alaska Bankers Association