



General Assembly

February Session, 2020

Raised Bill No. 5424

LCO No. 1972



Referred to Committee on BANKING

Introduced by:

(BA)

***AN ACT REQUIRING MONEY TRANSMITTERS TO PROVIDE
CONSUMERS WITH A MONEY TRANSMISSION FRAUD WARNING.***

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. (NEW) (*Effective October 1, 2020*) Each licensee that engages
2 in the business of money transmission in this state shall provide a
3 money transmission fraud warning to a consumer prior to any money
4 transmission. Such fraud warning shall include, but need not be limited
5 to, (1) a questionnaire to the consumer inquiring as to the payee and
6 purpose of and source of instructions for such money transmission, (2)
7 verification of the name and phone number of the payee and the amount
8 of money to be transmitted, (3) notice that telemarketers are prohibited
9 from receiving payments in the form of money transmissions for the sale
10 of goods or services, (4) a statement of warning to the consumer that
11 there might be actual or potential fraud related to such money
12 transmission, and (5) instructions on what to do if the consumer
13 suspects there might be fraud associated with such money transmission.
14 As used in this section, "licensee" and "money transmission" have the
15 same meanings as provided in section 36a-596 of the general statutes,
16 and "telemarketer" has the same meaning as provided in section 42-284

17 of the general statutes.

This act shall take effect as follows and shall amend the following sections:		
Section 1	October 1, 2020	New section

Statement of Purpose:

To require money transmitters to provide consumers with a money transmission fraud warning prior to wiring money.

[Proposed deletions are enclosed in brackets. Proposed additions are indicated by underline, except that when the entire text of a bill or resolution or a section of a bill or resolution is new, it is not underlined.]