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Hon Robert Olson
Chairman, Senate Financial
Institutions and Insurance Committee
300 SW 10th St.
Topeka, KS 66612

Re: Comments of the Money Services Round Table in Support of Senate Bill 139

Dear Chairman Olson:

I am counsel to The Money Services Round Table ("TMSRT"), which is composed of the leading national companies which sell money orders, travelers checks, stored value and transmit funds. These companies are: Western Union Financial Services, Inc., MoneyGram International, American Express Company, RIA Financial Services, Integrated Payment Systems and Sigue Corporation. All are currently licensed under the Kansas Money Transmitters Act ("Act"). TMSRT supports SB 139, which would amend the Act.

The non-bank money transmission business is based on trust. Consumers buy money orders, travelers checks, stored value and transmit funds with companies because they believe those companies are safe and sound and the instruments they provide and the funds they transmit will be good. TMSRT believes that effective licensing, such as the Kansas Money Transmitters Act, helps to maintain both consumer trust and the viability of the businesses by helping to ensure that these businesses are operated on a sound financial basis and that consumer funds are not impaired.

SB 139 will enhance the prudential regulation of money transmitters, under the supervision of the State Bank Commissioner, for the benefit of Kansas consumers. It will clarify net worth requirements, and require licensees to report on the identity and location of their retail point of sale "agents" in the state and mandate that these agents operate in accordance with law and the licensee's agent contract.

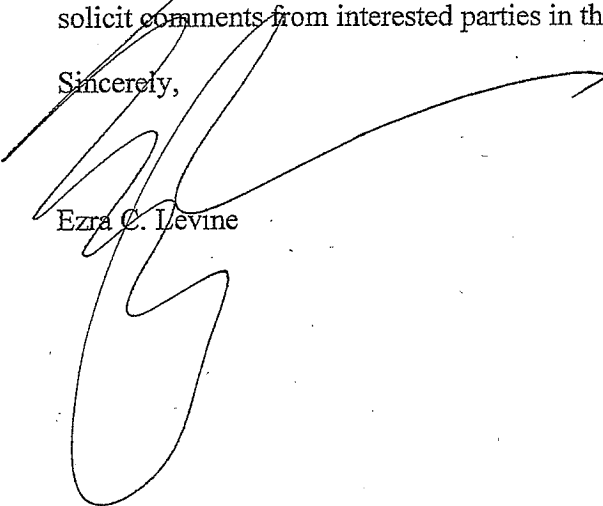
Finally, SB 139 allows the Commissioner to process license applications and renewals through the Conference of State Banking Supervisors "NMLS" national computerized system. This will reduce expensive paperwork processing for both the Banking Department and the regulated industry and should expedite review of both applications and renewals and

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be cost effective. Money states are participating in this effort to modernize the licensing process which is in the public interest.

For these reasons, TMSRT respectfully requests that the Committee approve SB 139. TMSRT appreciates the efforts that the office of the State Bank Commissioner has taken to solicit comments from interested parties in the development of this important measure.

Sincerely,



Ezra C. Levine