

**BEFORE THE DIRECTOR OF THE DEPARTMENT OF FINANCE  
OF THE STATE OF IDAHO**

In re:	)	Docket No. 2014-12-1
	)	
<b>Permissible Investments Pursuant to</b>	)	
<b>The Idaho Money Transmitters Act</b>	)	<b>ORDER</b>
_____	)	
	)	

**I. BACKGROUND**

1. The Department of Finance is charged with the administration and enforcement of Chapter 29, Title 26, Idaho Code commonly known as the Idaho Money Transmitters Act.

2. Pursuant to the Idaho Money Transmitters Act, licensees under the act are required to hold “permissible investments” in an aggregate value not less than the outstanding money transmitter obligations owed by the money transmitter in the United States.

3. Idaho Code § 26-2902(14) defines categories of permissible investments which can be counted for the purpose of compliance with the Idaho Money Transmitters Act. One such definition includes “receivables which are due to a licensee from its authorized representatives....which are not past due or doubtful of collection, or any other investments approved by the Director” of the Department of Finance.

**II. CONSIDERATION AS TO RECIEVABLES**

4. For the purposes of this Order, “Automated Clearing House (ACH) Receivables” are amounts due from a customer’s depository account or ACH credits initiated by

the customer through ACH, which are used to fund, purchase or pay for money transmission products and services.

5. For the purposes of this Order, “Debit Card Receivables” and “Credit Card Receivables” are amounts due from issuers of debit cards and credit cards, respectively, which are used to fund, purchase or pay for money transmission products and services.

6. The evolving nature of money transmitter business models causes some money transmitters licensed under the Idaho Money Transmitters Act to operate through various electronic means and without the benefit of authorized delegates as defined under the Idaho Money Transmitters Act. In this regard, customer funds do not flow through authorized delegates. Rather, some customers fund their instructions to transmit money through electronic means as a direct payment through the licensed money transmitter via ACH, as well as debit and/or credit card transactions.

### **III. ORDER**

**WHEREAS**, Pursuant to Idaho Code § 26-2902(14)(h), The Director has the authority to approve other types of investments as permissible investments,

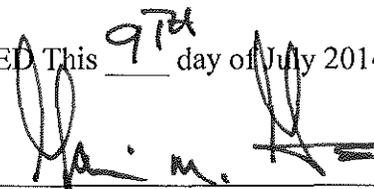
NOW THEREFORE, the Director of the Department of Finance hereby  
ORDERS:

That ACH Receivables, Debit Card Receivables, and Credit Card Receivables (collectively referred to as “Receivables”) are permissible investments subject to the following conditions:

1. The aggregate value of the Receivables that qualify as permissible pursuant to this Order cannot exceed 50% of the aggregate value of all permissible investments owned by a Licensee;

2. The value of receivables that qualify as permissible pursuant to this Order that are due from any one person and affiliates of that person cannot exceed 10% of the aggregate value of all permissible receivables owned by the Licensee;
3. The value of Receivables that have been outstanding for more than 5 business days are excluded from the aggregate value of permissible receivables owned by the Licensee;
4. ACH Receivables must be due from U.S. national or state chartered depository institutions, and;
5. Debit Card Receivables and Credit Card Receivables must be due from debit and credit cards issued by U.S. national or state chartered depository institutions.

IT IS SO ORDERED This 9<sup>th</sup> day of July 2014.

  
GAVIN M. GEE  
Director  
Department of Finance, State of Idaho

