

WAC 208-690-035 Authorized delegates. What are the rules I must comply with when I have authorized delegates?

- (1) Only a licensee may designate an authorized delegate.
- (2) A person accepting consumers' funds for transmission through an exempt or excluded entity under RCW 19.230.020 is not an authorized delegate but is a money transmitter and must be licensed under the act.
- (3) Any person you designate to provide money services on your behalf is an authorized delegate, regardless of whether that person would be exempt or excluded from the application of chapter 19.230 RCW if they provided money services on their own behalf.
- (4) Your authorized delegates must be physically located in the state of Washington unless you have received prior approval from the director to designate an authorized delegate physically located outside of the state of Washington.
- (5) The licensee has supervisory authority over the actions of the authorized delegate when providing services on behalf of the licensee. The department may take action against a licensee and/or the authorized delegate for any actions by the authorized delegate on behalf of the licensee in violation of the act or rules.
- (6) A written contract between you and an authorized delegate must contain, among all the other contract provisions, provisions with language substantially similar to the following:
 - (a) The authorized delegate must operate in full compliance with chapter 19.230 RCW and the rules adopted under this chapter.
 - (b) The authorized delegate is prohibited from using subdelegates or conducting business from locations not authorized by the department.
 - (c) A description of the specific money services you authorize the delegate to perform on your behalf.
- (7) The authorized delegate may only conduct activities authorized by you in the written agreement, unless the authorized delegate is also a licensee.
- (8) You may contract with another licensee to use that other licensee's existing authorized delegates to load funds onto your existing open-loop prepaid access product. If the shared authorized delegate sells new open-loop prepaid access product for you, you must add the authorized delegate to your authorized delegate roster.
- (9) The authorized delegate must include the licensee's name along with the other applicable requirements of RCW 19.230.330(2) on any disclosures or receipts.
- (10) The licensee's bond covers the actions of the authorized delegate while the authorized delegate is providing money services on behalf of the licensee pursuant to the written contract.
- (11) You must maintain your authorized delegate agreements and contracts with other licensees to share existing authorized delegates as part of your books and records pursuant to RCW 19.230.170 and make them available to the department upon request.

[Statutory Authority: RCW 43.320.040 and 19.230.310. WSR 18-13-108, § 208-690-035, filed 6/19/18, effective 8/1/18; WSR 16-14-022, § 208-690-035, filed 6/27/16, effective 8/1/16; WSR 13-24-021, § 208-690-035, filed 11/22/13, effective 1/1/14. Statutory Authority: RCW 43.320.040, 19.230.310, 2010 c 37. WSR 10-20-123, § 208-690-035, filed 10/5/10, effective 11/5/10. Statutory Authority: RCW 19.230.310 and 43.320.040. WSR 04-15-005, § 208-690-035, filed 7/7/04, effective 8/7/04.]