

09/26/2024-REPORTED OUT TO THE FLOOR

09/26/2024-AMENDED AND REPORTED OUT TO THE COMMITTEE ON RULES AND JUDICIARY
W/CLOSED RULE

BILL NO. 35-0375

Thirty-Fifth Legislature of the Virgin Islands

September 26, 2024

An Act amending title 11 Virgin Islands Code by adding chapter 3 establishing a wire transfer fee in the amount of 3% of the total amount of a money transfer and establishing the Money Laundering and Electronic Transaction Enforcement Fund

PROPOSED BY: Senators Novelle E. Francis, Jr., Carla Joseph, Ray Fonseca
Donna A. Frett-Gregory, Angel L. Bolques, Jr.,
Dwayne M. DeGraff, Samuel Carrión, Franklin D. Johnson
and Diane T. Capehart

Be it enacted by the Legislature of the Virgin Islands:

SECTION 1. Title 11 Virgin Islands Code is amended by adding chapter 3 to read:

**“Chapter 3. Wire transfer fee; Money Laundering and Electronic Transaction
Enforcement Fund**

§ 301. Wire transfer fee

(a) As used in this section:

(1) “Money transfer” means the transfer of funds electronically within the Virgin Islands, the United States, or to locations outside of the United States.

(2) “Money transfer institution” means an individual or legal entity that performs money transfers for profit.

(b) A money transfer institution shall:

(1) collect a wire transfer fee from every individual or legal entity, except corporations, requesting a money transfer; and

(2) remit to the Virgin Islands Bureau of Internal Revenue (“VIBIR”), on forms to be provided by the VIBIR, the wire transfer fees, less the amount retained under subsection (e), not more than 10 days after the last day of the calendar month during which the fees are collected.

(c) The wire transfer fee is 3% of the total amount of the money transfer.

(d) The money transfer institution shall provide a receipt contemporaneously with the money transfer evidencing the wire transfer fee.

(e) On a form for the collection and payment of fees, a money transfer institution may deduct and retain 5% of the total amount of all fees reported due as compensation for reporting and remitting the wire transfer fee; provided, however, that the form is timely filed and the amount due is not delinquent at the time of payment.

(f) The VIBIR shall transmit the wire transfer fees collected to the Virgin Islands Department of Finance and the Department of Finance shall deposited the wire transfer fees into the Money Laundering and Electronic Transaction Enforcement Fund.

(g) The VIBIR shall charge a penalty of \$100 per day for each day that a money transfer institution fails to timely submit the forms and remittances required under this section unless an extension of time has been granted. The late fee may not be waived.

(h) The Division of Banking, Insurance and Financial Regulation may suspend a money transfer institution’s license until all required reports have been filed and fees have been remitted if the money transfer institution fails to submit the forms and remittances required under this section within thirty days of the deadline. The Director of the Division of Banking, Insurance and Financial Regulation may make a claim against the surety bond of the money transfer institution on behalf of the Government of the Virgin Islands.

§302. Money Laundering and Electronic Transaction Enforcement Fund

(a) There is established in the Treasury of the Government of the Virgin Islands a fund designated as the Money Laundering and Electronic Transaction Enforcement Fund (“Fund”). The Commissioner of the Virgin Islands Department of Finance (“Finance”) shall provide for the administration of the Fund as a separate and distinct fund in the Treasury of the Virgin Islands, and no amounts in the Fund are available for expenditure or disbursement except as provided in this section.

(b) The Fund consists of all sums collected under section 301; public or private monetary grants, gifts, donations, bequests, or devises; and all sums the Legislature of the Virgin Islands appropriates to the Fund.

(c) The Commissioner of Finance shall deposit the Fund monies in interest earning accounts pursuant to 33 V.I.C. § 3336, and the interest earned must also be deposited into the Fund.

(d) To meet the needs, goals and objectives of the Division of Banking, Insurance and Financial Regulation (“Division”) in monitoring and enforcing compliance with Virgin Islands law as it relates to money laundering, electronic transmission of funds, fraud, and related activities, upon authorization of (“Division”), the Commissioner of Finance shall disburse not more than \$1,500,000 annually from the Fund.

§303. Regulations

Pursuant to title 3, chapter 35, the Director of the Division of Banking, Insurance and Financial Regulation shall promulgate regulations to carry out the purpose of this chapter.”

SECTION 2. Section 1 takes effect 45 days after the enactment of this act.

BILL SUMMARY

This bill amends title 11 Virgin Islands Code by adding chapter 3 establishing a wire transfer fee in the amount of 3% of the total amount of a money transfer and establishing the Money Laundering and Electronic Transaction Enforcement Fund. This bill takes effect 45 days after enactment.

BR24-1291/September 26, 2024/GC

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