State Regulators Release First-Ever Data Report on Money Services Businesses

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Washington, D.C. – State financial regulators released the inaugural Money Services Businesses (MSB) Industry Report with transaction data covering 2017 from licensed money transmission, payments, virtual currency and other businesses. The report is based on data collected from the Nationwide Multistate Licensing System (NMLS), which is operated by the Conference of State Bank Supervisors (CSBS).

Key facts:

- The money services businesses industry overall handled $1.24 trillion in 2017.
- The money transmission industry is highly concentrated with the 10 largest companies moving 74 percent of the almost $685 billion total.
- Foreign transfers, or international wires, comprised 22 percent of all money transmission in the United States. The average foreign transaction was $479.
- Virtual currency exchange ($110.8 billion) and virtual currency transmission ($6.2 billion) account for 9.4 percent of the industry.

John Ducrest, commissioner of the Louisiana Office of Financial Institutions and chair of the CSBS subsidiary that operates NMLS (State Regulatory Registry): “State regulators rely on company and industry data to regulate money services businesses for the benefit of local communities and the safety of customer funds. The MSB Call Report and new Industry Report are providing essential insight for state regulators.”

Rick St. Onge, Money Transmitter Regulators Association (MTRA) president and non-depository examinations chief for the Washington State Department of Financial
Institutions, announced at the MTRA Annual Conference in Jackson Wyoming, “The MSB Industry Report leverages data collected from NMLS, including state licensing and supervisory data and the MSB Call Report. The MTRA supports Vision 2020 and states’ effort to reduce licensing burdens with increased efficiency.”?

More information is available here.

See the full report at mortgage.nationwidelicensingsystem.org/about/Reports/2017-NMLS-Money-Services-Businesses-Report.pdf.