

## [How State Regulators Approach Innovation](#)

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Fintechs are now integrated into daily life.

Fintech companies - firms that leverages technology to create new business models, new delivery channels, automated decisions, and partnerships with traditional banks - perform an important role in financial services. Operating within industries such as mortgages, money transmission, debt, and consumer finance, fintech firms have piqued the interest of consumers and attracted a wide range of investors.

State regulators, **who are the primary regulators of non-bank and fintech firms**, are committed to fostering the innovation of fintech companies while protecting consumers from predatory products and services.

When speaking with fintech companies, state regulators heard some common challenges faced when looking when getting licensed. Fintech companies are looking for a more streamlined licensing process, more clarity on if and where they need licenses, and more freedom to try out new and innovative ideas.

State regulators have taken notice.