



State Regulators Seek Public Comment on Proposed Nationwide MSB License Requirements

May 24, 2021

Washington, D.C. – The Conference of State Bank Supervisors (CSBS) is seeking public comment on proposed nationwide licensing requirements for money service businesses (MSB).

“The goal of the proposal is a national standard that allows the state system to operate as a single network while retaining local accountability and local control,” said CSBS President and CEO John W. Ryan.

The proposed structure is based on a single set of nationwide requirements reviewed by a lead state agency. Any remaining state-specific requirements would be limited to items not covered by the national standards.

The uniform national standards for MSBs include both [core requirements](#) for all applicants in all industries and the MSB industry-specific requirements included in this proposal.

The full proposal is available [here](#) and at <https://nationwidelicencingsystem.org>.

Public comments will be accepted at comments@csbs.org until July 23, 2021, and will be published at <https://nationwidelicencingsystem.org>. The final nationwide requirements will be built into the modernized Nationwide Multistate Licensing System (NMLS).

Key aspects of the proposal include:

- An overview of MSB business-specific requirements and how they apply to companies, key individuals (formerly referred to as control persons) and business locations
- Proposed changes to the license application process for the MSB industry

These new requirements will significantly streamline the licensing process as part of state regulators’ efforts to increase uniformity in state regulation through a strategy known as

Networked Supervision.

“Creating a standardized licensing process will improve supervision for both industry and regulators,” said Ryan. “Industry input is critical for this effort and for ensuring that the system remains responsive to the wide range of business models under state supervision.”

The nationwide proposal builds on the **Multistate MSB Licensing Agreement**, which currently includes 29 states.

As of the end of April, 49 state agencies were using NMLS to manage MSB licenses for over 2,800 companies. MSB activities include electronic money transmission, check cashing, bill paying and more. For more information on CSBS visit **www.csbs.org**.

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The Conference of State Bank Supervisors (CSBS) is the national organization of bank regulators from all 50 states, American Samoa, District of Columbia, Guam, Puerto Rico and U.S. Virgin Islands. State regulators supervise roughly three-quarters of all U.S. banks and a variety of non-depository financial services. CSBS, on behalf of state regulators, also operates the Nationwide Multistate Licensing System to license and register non-depository financial service providers in the mortgage, money services businesses, consumer finance and debt industries.

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