



# VISION2020

## Fintech Industry Advisory Panel Recommendations and Next Steps

Payments & Lending Industry Recommendations	Regulator Response	Next Steps
<b>Use CSBS regtech for licensing and exams</b>		
Expand use of NMLS across all license types	Support	<b>Drive</b> 50-state adoption of NMLS for nonbank financial services
Expand use of all available NMLS functionality	Support	<b>Drive</b> 50-state adoption of NMLS for nonbank financial services
Develop menu of state licensing requirements for multi-state consistency, including: <ul style="list-style-type: none"> <li>- renewal timelines and requirements</li> <li>- supplement paper-based notice and disclosure requirements with online delivery/posting options</li> <li>- electronic surety bonds</li> <li>- electronic fingerprint cards</li> <li>- electronic payments to state agencies</li> </ul>	Support	<b>Build</b> into ongoing work to develop the new NMLS
Build the State Examination System	Support	<b>Launch</b> SES with pilot states during 2019
Increase multi-state exam coordination	Support	<b>Establish</b> quantitative targets for multi-state exams <b>Launch</b> SES with pilot states during 2019 One-company, one-exam pilot launched January 2019
<b>Harmonize owner and management vetting</b>		
Explore standardized approaches to control and control persons including: <ul style="list-style-type: none"> <li>- change of control application process</li> <li>- approaches to international persons</li> <li>- treatment of passive investors</li> </ul>	Support	<b>Establish</b> a regulator-industry working group on control <b>Develop</b> a 50-state model MSB law
<b>Increase transparency</b>		
Create central repository of licensing and fintech-related state guidances	Support	<b>Build</b> an online database of state licensing and fintech guidance
Conduct 50-state surveys of consumer finance, MSB exemptions	Support	<b>Publish</b> an online source for current licensing requirements and exemptions; encourage a common standard
Establish vehicle/forum for conversations — precensure and/or outside the formal exam cycle — on technology, companies and products	Support	<b>Coordinate</b> information sessions for regulators and industry to discuss fintech developments

Payments-Specific Industry Recommendations	Regulator Response	Next Steps
<b>Create uniform definitions and practices</b>		
Standardize definitions and interpretations of the activities that require MSB licensure	Support	<b>Develop</b> a 50-state model MSB law
Standardize exemptions and procedure(s) for exemptions to MSB licensure	Support	<b>Develop</b> a 50-state model MSB law
Form regulator working group to evaluate differences in state MSB prudential requirements and explore harmonization opportunities through regulatory and state legislative action	Support	<b>Develop</b> a 50-state model MSB law
Lending-Specific Industry Recommendations	Regulator Response	Next Steps
<b>Create uniform definitions and practices</b>		
Consistent reporting timelines and requirements for state-licensed consumer finance lenders	Support	<b>Create</b> a standardized consumer finance call report
<b>Continue industry/regulator conversations</b>		
Facilitate regulator education regarding lead generation as an acquisition channel for online lenders	Support	<b>Include</b> lead generation in professional development training
<b>For future consideration</b>		
Develop menu of state licensing requirements for modernization and/or multi-state consistency, including: - eliminating physical office requirements - supplement paper-based notice and disclosure requirements with online delivery/posting options	Consider for future action or implementation	
Examine interpretive differences among states with similar consumer finance statutes	Consider for future action or implementation	
Small business lending: Create a consistent definition for commercial loan based on use of proceeds	Consider for future action or implementation	
Small business lending: Apply commercial loan definition to loans to sole proprietorships	Consider for future action or implementation	
Small business lending: Develop consistent approaches to disclosure	Consider for future action or implementation	