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NEWS RELEASE

State Financial Regulators Embrace Recommendations from Fintech Advisory Panel

Washington, DC – The Conference of State Bank Supervisors (CSBS) released a series of action items to implement feedback received from the [33 companies](#) on the CSBS Fintech Industry Advisory Panel.

The panel was formed in 2017 to identify and remove unnecessary pain points in the multistate experience of fintechs and other nonbanks operating regionally or nationwide while improving financial supervision. In the United States, nonbanks – such as mortgage lenders, money services businesses and consumer finance companies – are licensed and supervised at the state level.

CSBS agreed to implement 14 specific recommendations from the panel, chiefly in the areas of creating uniform definitions and practices, increasing transparency and expanding the use of common technology among all state regulators.

Among several actions, CSBS will:

- Develop a 50-state model law to license money services businesses
- Create a standardized call report for consumer finance businesses
- Build an online database of state licensing and fintech guidance, while encouraging a common standard
- Develop a new technology offering, a State Examination System, to simplify examinations of nonbanks operating in more than one state
- Expand the use of the Nationwide Multistate Licensing System among all state regulators and to all nonbank industries supervised at the state level

See the full list of recommendations and regulator response [here](#).

Mark Quandahl, chair of the CSBS Emerging Payments & Innovation Task Force and director of the Nebraska Department of Banking and Finance, said: “As regulators overseeing nonbanks, our goals are clear: ensure the safety and soundness of the financial system, protect consumers, and streamline the multistate experience. The Fintech Industry Advisory Panel has developed actionable items for us; we embrace these recommendations, and we are now focused on implementation.”

The panel is one of several initiatives within [CSBS Vision 2020](#), through which state regulators are working to modernize the financial regulation of nonbanks, in part by moving towards harmonization of multistate licensing and supervision.

Media Contact: Catherine Pickels, 202-728-5734, cpickels@csbs.org

Twitter: @CSBSNews

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.