

# CSBS Continues Streamlining of Licensing for Payments Firms Through ‘One Company, One Exam’ Program

## WRITTEN BY

[James W. Stevens](#) | [Richard P. Eckman](#) | [Timothy A. Butler](#) | [Troy K. Jenkins](#) | [Matthew White](#)

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On September 15, the Conference of State Bank Supervisors (CSBS) [announced](#) that money transmitters operating in 40 or more states will be able to take advantage of a new, comprehensive exam designed to satisfy all state money transmitter examination requirements in 2021. Per the CSBS, this “one company, one exam” program, known formally as “MSB Networked Supervision,” applies to “78 of the nation’s largest payments and cryptocurrency companies that currently meet the 40-state threshold.”

Through this program, the CSBS, an organization composed of regulators from all 50 U.S. states, Washington D.C., Guam, Puerto Rico, American Samoa, and the U.S. Virgin Islands, allows money transmitters who reach the 40-state threshold to replace state-by-state examinations with a single exam that will satisfy all state requirements. Under the program, a single state will lead the exam and, in doing so, will use a group of examiners selected from around the country.

This effort is line with recent CSBS activity, which, as part of its [Vision 2020](#) initiative, has consistently tried to lead the way in “harmoniz[ing] the multistate licensing and supervisory experience for nonbank financial services providers, including fintechs.” Indeed, this program and Vision 2020 is a recognition by the CSBS that it is problematic and expensive for companies to juggle the unique regulatory processes and requirements of 50 states. And, while this program is designed to benefit the money services businesses that do business across the U.S., the CSBS has also been advocating for the expansion of its multistate agreement on standardizing licensing for money services businesses, an agreement which will help ease the compliance burdens on money services businesses smaller than the 78 licensed payments companies benefitting from the “one company, one exam” program.

This move by the CSBS also comes at a time when state and federal regulators are looking to stake out territory as the principal regulators of nonbank money services businesses, and shows that beyond [fighting](#) federal agencies in court, state regulators are claiming space by implementing streamlined processes that are more efficient for states and regulated entities alike.

We will continue to monitor developments in the regulation of money services businesses by entities like the CSBS. If you wish to discuss the CSBS’ new initiative or money transmitter licensure requirements under other recent initiatives from state regulators, please contact one of our team members.

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