



March 14, 2023

Chair Matt Klein
Senate Commerce and Consumer Protection Committee
Senate Bldg., Room 2105
St. Paul, Minnesota 55155

Dear Chair Klein:

The Conference of State Bank Supervisors (“CSBS”)¹ appreciates the opportunity to comment on Minnesota Senate File 2744, which would incorporate the CSBS Money Transmission Modernization Act² (“MTMA”) into Minnesota statutes.

The MTMA is a single set of nationwide standards and requirements created by state regulators and industry experts and approved by the CSBS Board of Directors. A common regulatory baseline across the country is a crucial step in advancing multistate harmonization in the money transmission industry, as states will be better able to work together in the licensing, regulation, and supervision of money transmitters operating across state lines. Common standards also empower the states to use technology, apply data analytics, and share resources together as a networked system of state supervision.

Specifically, enactment of the MTMA money transmission provisions will create a national standard for customer protections, clarify and standardize definitions of regulated activity, and streamline states’ ability to license and examine money transmitters through the Nationwide Multistate Licensing System, ensuring customers are protected and payments companies are regulated in the same manner across all jurisdictions.

State regulators strongly support the adoption of the MTMA to ensure companies that operate in a safe and sound manner are much better positioned to fulfill the significant requirements associated with the business of money transmission and assisting customers with these important financial obligations.

Sincerely,

A handwritten signature in blue ink, appearing to read 'James M. Berg'.

President and CEO

cc: Jon Kelly, MPA
Director of Government Affairs
Minnesota Department of Commerce

¹ CSBS is the nationwide organization of state banking and financial regulators from all 50 states, American Samoa, the District of Columbia, Guam, Puerto Rico, and the U.S. Virgin Islands. CSBS supports the state banking agencies by serving as a forum for policy and supervisory process development, by facilitating regulatory coordination on a state-to-state and state-to-federal basis, and by facilitating state implementation of policy through training, educational programs, and exam resource development.

² The Money Transmission Modernization Act can be viewed on the [CSBS website](#).