

# 2019 NMLS Money Services Businesses Report

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This report contains data concerning companies and branches that are licensed or registered in NMLS to conduct money services activities.<sup>1</sup>

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## 1. Money Services Businesses Activities

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The Money Services Businesses (MSB) Call Report collects quarterly activity and financial data from MSB companies. The report includes national and state-specific information that is submitted on a quarterly and annual basis. Reporting started in the first quarter of 2017<sup>2</sup>.

Activities reported in the MSB Call Report include the following:

<b>Money Transmission</b>	Transmitting money, domestically and/or internationally
<b>Payment Instrument</b>	Instrument for the transmission or payment of money or monetary value, such as money orders
<b>Stored Value</b>	Monetary value that is evidenced by an electronic record, such as a prepaid card or mobile wallet
<b>Check Cashing</b>	Cashing checks, drafts, money orders, or other commercial paper
<b>Currency Exchange</b>	Exchanging one fiat currency for another fiat currency
<b>Virtual Currency</b>	Transmitting, exchanging, holding, or otherwise controlling virtual currency

In 2019, 28 states and Puerto Rico required their licensed companies to file the MSB Call Report, an increase of two states during the year. The report collects both state-specific and company-wide transaction information. The company-wide transaction totals include transactions in states that do not require the MSB call report, which gives visibility to the majority of MSB activity nationwide.

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<sup>1</sup> Unless otherwise noted, all figures cover activity from 2019, or statuses as of December 31, 2019.

<sup>2</sup>MSB Call Report data in this report reflect data submitted by companies in NMLS. Data are subject to revision for two years after the reporting period.

## Nationwide MSB Market Totals

Activity	2019	
	Volume	Companies Reporting
Money Transmission	\$1,310,111,034,337	291
Payment Instruments	\$177,446,029,507	93
Stored Value	\$412,673,306,143	68
Check Cashing	\$10,436,033,396	149
Currency Exchange	\$4,799,867,626	23
Virtual Currency Exchange	\$18,114,903,138	15
Virtual Currency Transmission	\$47,303,024,421	34
<b>Total</b>	<b>\$1,980,884,198,568</b>	<b>458</b>

## 2. State-licensed MSB Companies

As of December 31, 2019, 44 states, the District of Columbia, and Puerto Rico managed MSB licenses on NMLS.

There were 2,521 MSB companies in NMLS that held a total of 7,954 approved MSB licenses in 2019, up from 2,415 companies and 6,953 licenses in 2018. These companies conducted activity covered by different license types managed in NMLS.

The table below describes the interstate nature of the MSB industry. For example, the average money transmitter conducted business in 10 states, and the average stored value company conducted business in 23 states. Check cashing was the most notable exception, where the average company tended to operate in just one state.

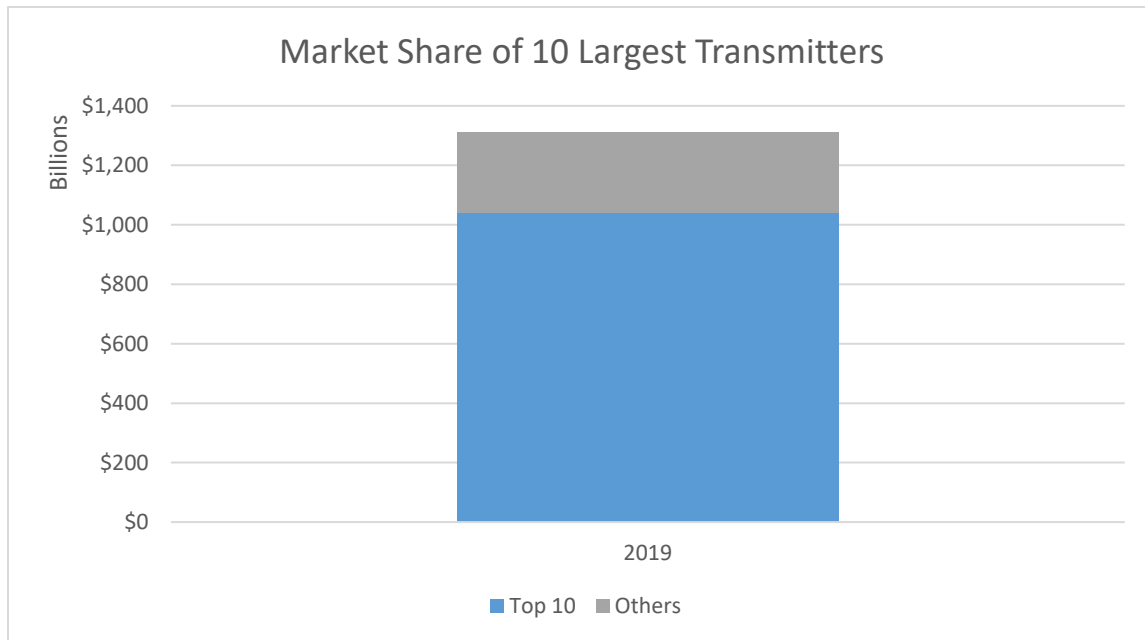
MSB Activity	Companies in NMLS	Average number of states in which they conduct business
Bill paying	531	4
Check cashing	2,062	1
Electronic money transmitting	719	11
Foreign currency dealing or exchanging	59	21
Issuing and/or selling drafts	27	23
Issuing money orders	180	4
Issuing prepaid access/stored value	93	23
Issuing traveler's checks	5	13
Other - Money Services	252	10
Selling money orders	716	2
Selling prepaid access/stored value	221	7
Selling traveler's checks	12	10
Transporting Currency	18	23
Virtual currency exchanging and trading services	47	28

### 3. Money Transmitters and Uniform Authorized Agent Reporting

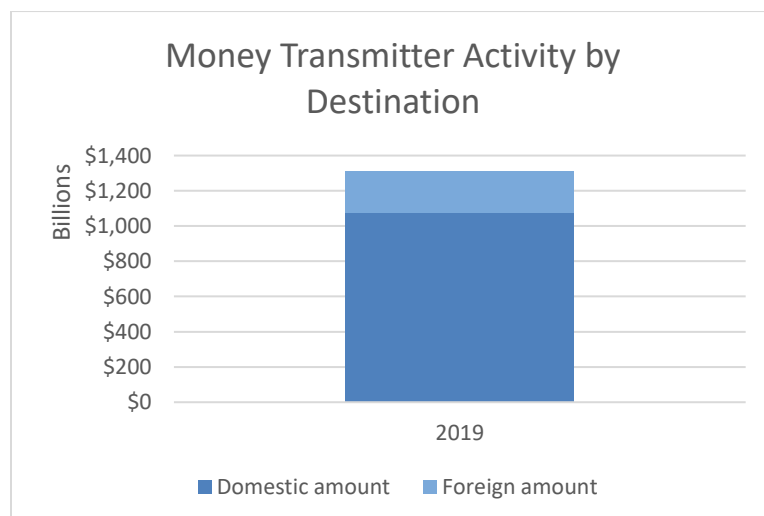
Of the companies in NMLS conducting MSB activity, 458 were licensed as money transmitters. They held a total of 5,734 approved money transmitter licenses. Of these companies, 291 reported money transmission on the MSB Call Report.

#### **Market Share of 10 Largest Money Transmitters**

The money transmission industry was highly concentrated in 2019. The 10 largest companies accounted for 79 percent of the \$1.3 trillion transmitted in 2019.



#### **Foreign and Domestic Money Transmission Transactions**



Foreign transfers, also known as “international wires,” or “international money transfers,” are transmissions from the United States to recipients abroad.

In 2019, foreign transfers comprised 18% of all money transmissions in the United States.

The average transmission amount for each foreign transaction was \$290 in 2019.

## ***Agents in NMLS***

NMLS provides functionality to allow money transmitters to upload lists of their authorized agents to state regulators. As of December 31, 2019, 43 states, the District of Columbia, and Puerto Rico have instructed their money transmitters to use the Uniform Authorized Agent Reporting (UAAR) functionality.

As of the end of 2019, 221 companies reported 487,162 active authorized agent relationships, and 237 companies reported no agents used.

<b>Number of Agents</b>	<b>Companies</b>
<b>10,000 or more</b>	9
<b>5,000 – 9,999</b>	4
<b>1,000 – 4,999</b>	16
<b>500 – 999</b>	12
<b>100 – 499</b>	27
<b>50 – 99</b>	21
<b>10 – 49</b>	54
<b>Less than 10</b>	78
<b>0 (No Agents Used by Principal)</b>	237