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Utilization of Nationwide Multistate Licensing System Money Services Business Call Report

The Texas Department of Banking participates in various Conference of State Bank Supervisors (CSBS) committees to promote a stronger Money Services Businesses (MSB) multistate networked supervision approach.

One tool designed to assist in the multistate networked supervision of MSBs is the Nationwide Multistate Licensing System (NMLS), the use of which is authorized by Section 151.2031 of the Texas Finance Code. The Department was one of the first state agencies to participate in the Multistate Money Services Businesses Licensing Agreement Program initiative, which created a more efficient money transmission licensing process through NMLS.

Currently, NMLS is being redesigned to improve its operations, enhance the user experience, and strengthen supervision through the NMLS Modernization initiative. The goal is to provide improved access to data, increased uniformity, and more automation of state licensing and regulatory activities.

In furtherance of this goal, money transmission license holders will be required to complete the NMLS MSB Call Report (Call Report) to include Texas transactions as detailed below. The utilization of the Call Report will strengthen the networked supervision of licensed entities among the state agencies.

Call Report:

The Call Report is a quarterly report of condition submitted through NMLS and comprised of four sections: financial condition, transaction activity, permissible investments, and transaction destination. As of June 1, 2021, the Call Report has been adopted by 31 state agencies across the country.

The Department is only requiring money transmission license holders to complete the Call Report.

Affected License Holders:

License holders maintaining a money transmission license from another state that requires the use of the Call Report or is licensed in at least two states (including Texas) must complete and report Texas transactions. The Department estimates most license holders already complete the Call

Report and will only need to add transaction details specific to Texas under Section II (quarterly) and Section IV (annual) in the future.

Report Completion:

The Department will require Texas money transmission license holders to complete the Call Report beginning with the third quarter 2021 report (as of September 30, 2021), which is **due on November 14, 2021**.

The completion of the Call Report does not replace the completion of Texas specific quarterly Permissible Investment Reports (PIR) for non-NMLS. The Department intends to present the recently approved CSBS Uniform Money Transmission Modernization Act, also known as the Money Transmitter Model Law, during the next regular Texas Legislative Session to harmonize Texas PIR and Call Report requirements. Until then, Texas license holders will continue to prepare Texas PIR within 45 days of the end of each calendar quarter.

Questions regarding the requirements of the Call Report should be directed to the Non-Depository Supervision Division via [email](#) or at (512) 475-1291.