



CONFERENCE OF STATE BANK SUPERVISORS

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NEWS RELEASE

State Regulators Launch Redesign for Next Generation Technology Platform
Core Component of CSBS Vision 2020

Washington, D.C. – The Conference of State Bank Supervisors (CSBS) has launched a major redesign of the Nationwide Multistate Licensing System (NMLS), the core technology platform used by state bank regulators. The redesign will enable regulators to transform the licensing and supervision of non-bank financial institutions, including fintechs.

John Ducrest, commissioner of the Louisiana Office of Financial Institutions, said: “Technology and data are powerful tools that can create sweeping benefits throughout the financial regulatory system. And that vision drives our efforts with the next-generation [NMLS](#). We are committed to nothing less than modernized state regulation for a modernized financial services industry.”

He added: “Better risk management, greater efficiency, and the inclusion of a modern examination system, are among the benefits the next-generation NMLS will offer state regulators. Meanwhile, fintechs and other non-banks will benefit from faster licensing approvals, more standardized experiences, and smoother sailing to nationwide expansion.”

Ducrest is chairman of the Board of Managers of the State Regulatory Registry, a CSBS subsidiary that owns and operates NMLS on behalf of state regulators.

Regulators today use NMLS to license companies in non-bank industries such as mortgages, money services, consumer finance and debt collection. Further, NMLS Consumer Access is a website where consumers can check on companies they work with. For the NMLS redesign, CSBS selected PwC LLP (Price WaterhouseCoopers LLP) as the lead technology vendor, using the Appian platform, and Fieldprint as the criminal background processor.

Redesigning NMLS is part of a larger effort, [CSBS Vision 2020](#), which state regulators are conducting as they move towards an integrated, 50-state system of licensing and supervision. Other initiatives include forming a fintech advisory panel, harmonizing multi-state supervision, and assisting state banking departments.

The following chart summarizes the work now underway for the next-generation NMLS:

	Current NMLS	Next Generation NMLS	Benefit
Risk management	Uniform application forms with limited distinction by risk	Business tools to categorize applications by potential risk	Regulators deploy more resources to higher-risk cases
Single-state licensing	Manual, independent reviews by each state	Streamlined process for lower-risk applications	Faster approvals for vast majority of applications
Multi-state licensing	States generally perform own licensing analysis	States better able to access and rely on analyses from other states	Non-banks can more quickly expand and maintain their market footprint
Examination	Not available in NMLS	A state examination system with uniform process capabilities, data analytics, and information sharing among states	Regulators can streamline many exam workflows
Supervision	Regulatory convergence has produced a standardized experience for mortgage firms	Standardized regulatory experiences to develop for institutions other than mortgage firms	A more consistent, multi-state supervisory experience for non-banks
Consumer protection	NMLS Consumer Access identifies licensed firms, locations, and adverse regulatory actions	More consumer-friendly terms to understand a firm's business, and inclusion of actions from more regulators	Consumers able to make better-informed decisions on key financial services transactions

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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.