

2023 NMLS Money Services Businesses Report

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

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1. Money Services Businesses Activities

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. Companies who are required to submit the MSB Call Report must submit both the national and state-specific information. Reporting started in the first quarter of 2017².

Activities reported in the MSB Call Report include the following:

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

In 2023, 36 states, the District of Columbia, 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.

¹ Unless otherwise noted, all figures cover activity from 2023, or statuses as of December 31, 2023

²MSB 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 Totals³

Activity	2023	
	Volume	Companies Reporting
Money Transmission	\$3,770,450,936,562	362
Payment Instruments	\$171,760,106,973	94
Stored Value	\$974,104,223,381	107
Check Cashing	\$13,158,742,191	133
Currency Exchange	\$5,210,757,467	23
Virtual Currency Exchange & Transmission	\$915,835,961,469	72
Total	\$5,850,520,728,043	555

2. State-licensed MSB Companies

As of December 31, 2023, 47 states, the District of Columbia, and Puerto Rico managed MSB licenses on NMLS.

There were 2,804 MSB companies in NMLS that held a total of 10,960 approved MSB licenses in 2023, compared to 2,839 companies and 10,708 licenses in 2022. 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 14 states, and the average stored value company conducted business in 30 states. Check cashing was the most notable exception, where the average company tended to operate in just one state.

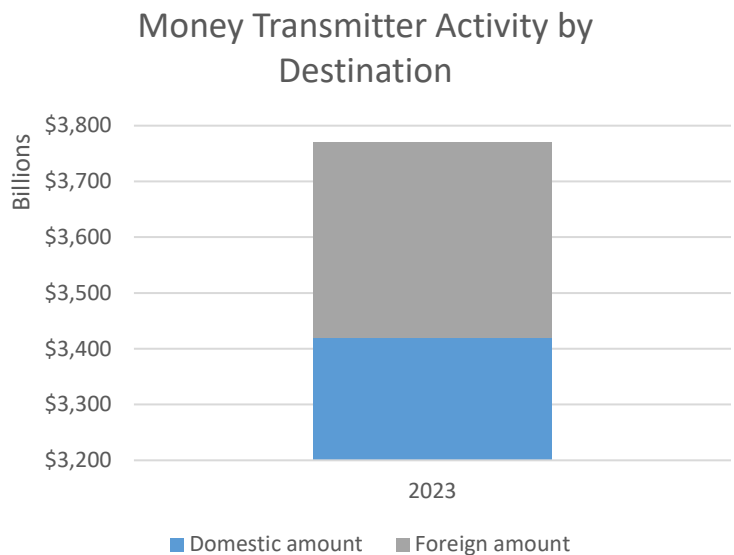
MSB Activity	Companies in NMLS	Average number of states in which they conduct business
Bill paying	510	5
Check cashing	2,117	1
Electronic money transmitting	811	14
Foreign currency dealing or exchanging	80	22
Issuing and/or selling drafts	34	19
Issuing money orders	162	5
Issuing prepaid access/stored value	131	30
Issuing traveler's checks	8	8
Other - Money Services	141	6
Payroll processing services	15	22
Selling money orders	620	2
Selling prepaid access/stored value	223	10
Selling traveler's checks	15	8
Transporting Currency	24	6
Virtual currency exchanging and trading services	147	27

³ See Technical Note

3. Money Transmitters and Uniform Authorized Agent Reporting

Of the companies in NMLS conducting MSB activity, 611 were licensed as money transmitters. They held a total of 8,589 approved money transmitter licenses. Of these companies, 343 reported money transmission on the MSB Call Report.

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 and vice versa.

In 2023, foreign transfers comprised 9% of all money transmission volume in the United States.

The average transmission amount for each foreign transaction was \$370 in 2023.

Agents in NMLS

NMLS provides functionality to allow money transmitters to upload lists of their authorized agents to state regulators. As of December 31, 2023, 46 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 2023, 242 companies reported 510,211 active authorized agent relationships, and 369 companies reported no agents used.

Number of Agents	Companies
10,000 or more	10
5,000 – 9,999	3
1,000 – 4,999	16
500 – 999	19
100 – 499	33
50 – 99	18
10 – 49	54
Less than 10	89
0 (No Agents Used by Principal)	369

4. Technical Note

The 2023 MSB Call Report Market Totals provided in this report should be used on a limited basis. The information can be used to:

- Estimate the total volume for MSB companies in the United States
- Estimate the number of companies reporting in each MSB activity

These limitations are in place because of variation in reporting patterns between companies and the volatility of cryptocurrency market.

Reporting Patterns

The current activity definitions in the MSB Call Report are broad, allowing for the interpretations defined in state statutes. The definitional differences between states may affect the scope of activity reported, specifically for money transmission and virtual currency.

For example, some definitions of money transmission include virtual currency activity involving fiat currency. Due to variations in the distinction between money transmission and virtual currency, it is unclear whether the volume reported in money transmission at the nationwide level includes virtual currency.

Companies also report activity inconsistently across states, and this impacts the nationwide totals. It is possible that companies report only regulated activity in states where they are licensed. On the other hand, it is also possible that companies report all activity where they are licensed or conduct activity.