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## FTA Urges Broad Adoption of State Model Law to Modernize Digital Payments Regulation



*The bipartisan Money Transmission Modernization Act establishes clear standards to protect consumers, support small businesses, and foster innovation.*

**WASHINGTON, D.C.** – The [Financial Technology Association](#) (FTA) announced its support for the Money Transmission Modernization Act, a state model law that modernizes payments regulation to meet the needs of consumers and small businesses in the digital age. More than a dozen states have adopted the law, with several more expected to pursue adoption in 2024, according to the [Conference of State Bank Supervisors](#).

“Today’s consumers and small businesses send and receive money across the U.S. with the touch of a button and expect the same rights and protections regardless of where they live or do business,” said **Penny Lee, President and Chief Executive Officer of the Financial Technology Association**. “We are pleased to join the Conference of State Bank Supervisors’ efforts in

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and global markets while still being subject to individual state licensing regimes that may diverge from one another. Therefore, common licensing and regulatory standards are needed to effectively govern the highly diversified and innovative consumer payments ecosystem.

The bipartisan Model Money Transmission Modernization Act (MTMA) would create a clear set of standards for states, the District of Columbia, and U.S. territories to oversee payments companies of all sizes, from global firms to local small businesses. A universal standard would eliminate unnecessary and outdated requirements, streamline compliance, and remove barriers to innovation. Common standards also empower regulators to better work together to detect risks and safeguard consumer funds.

FTA expressed support for the model law in letters urging elected leaders in [Maine](#), [South Carolina](#), and [South Dakota](#) to move forward with adoption. More broadly, FTA urges uniform adoption of the model law to reduce uncertainty and risk and ensure the payments industry can continue to grow and serve consumers and small businesses.

### ABOUT US

The Financial Technology Association (FTA) is a Washington, DC-based trade association representing industry leaders shaping the future of finance. We champion the power of technology-centered financial services and advocate for the modernization of financial regulation to support inclusion and responsible innovation.

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