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# When Do Money Transmitter Rules Apply to Blockchain Games?

## U.S. TECH LAW UPDATE<sup>1</sup>

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Most video games rely on in-game virtual economies to incentivize player engagement and facilitate the exchange of in-game items. But virtual economies that extend beyond the boundaries of gameplay and into real-world financial markets may also be subject to real-world currency regulation. In the U.S., institutions that facilitate money transmission from one person or business to another are strictly regulated by federal and state laws designed to detect and prevent money laundering and other financial crimes. Blockchain<sup>2</sup> game companies that engage in certain activities, such as using fungible tokens as in-game currency, issuing NFTs, or hosting in-game wallets could be subject to multiple money transmission frameworks, each of which imposes unique and sometimes extensive recordkeeping and reporting obligations.

In the first quarter of 2023, blockchain game and metaverse projects received US\$739 million in investment funds, an approximately 13% increase from the previous quarter's investment total.<sup>3</sup> Despite ongoing investment, developers face a fragmented, confusing, and ill-defined U.S. regulatory environment. Absent comprehensive digital asset legislation from Congress, U.S. federal and state agencies have been tasked with adapting existing legal frameworks to the emerging digital assets industry, including the Financial Crimes Enforcement Network (“FinCEN”), a bureau of the United States Department of the Treasury that collects and analyzes information about financial transactions to combat domestic and international money laundering, terrorist financing, and other financial crimes.

This legal update, the second in a series exploring U.S. regulations impacting blockchain games,<sup>4</sup> outlines U.S. money transmission rules by surveying (i) federal and state money transmission regulation, (ii) activities that are more or less likely to trigger money transmission regulation, and (iii) current market practice among blockchain game companies toward compliance with money transmission regulatory obligations.

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<sup>2</sup> Blockchains are decentralized, distributed digital ledgers of verified transactions, which blockchain games often incorporate by using non-fungible tokens (“NFTs”) as in-game virtual items, and fungible tokens as in-game virtual currencies. NFTs and fungible tokens are virtual assets created, traded, and stored on a blockchain, which we collectively refer to herein as “digital assets.” Blockchain games often reward player engagement by offering players verifiable ownership of unique, scarce in-game NFTs that can be transferred, bought, and sold outside the game, and opportunities to earn fungible tokens that can be used as in-game virtual currency or traded on exchanges outside the game.

<sup>3</sup> DappRadar x BGA, [Blockchain Games Q1 2023 Report](#) (April 6, 2023).

<sup>4</sup> Please see the first in this Pillar Legal series, [Is Your Blockchain Game Digital Asset a Security?](#)



## I. Federal

The Currency and Foreign Transactions Reporting Act of 1970, more commonly called the Bank Secrecy Act (the “BSA”), requires U.S. financial institutions, including foreign institutions operating within the U.S., to assist U.S. government agencies in detecting and preventing money laundering and the financing of terrorism by complying with financial record keeping and reporting requirements.<sup>5</sup> Under the BSA, the term “financial institutions” encompasses an array of businesses and entities, including a category of nonbank financial institution called money services businesses (“MSBs”). MSBs are subject to numerous regulatory obligations, including registration with FinCEN, recordkeeping, reporting, and the implementation of anti-money laundering compliance programs. Although typical closed-loop in-game currencies are generally not subject to FinCEN regulation, the unique cash-out mechanism of blockchain games, in which players may trade in-game digital assets for other digital assets or fiat currency, makes blockchain game companies much more likely to be MSBs and thus subject to FinCEN regulation.

### A. Convertible Virtual Currency

There are several types of MSBs, but blockchain game companies are most likely to be considered money transmitters.<sup>6</sup> FinCEN defines “money transmitter” to include anyone that provides “money transmission services,” which refers to the acceptance of currency, funds, or other value that substitutes for currency, from one person and the transmission thereof to another person or another location by any means.<sup>7</sup> Both domestic and foreign persons or entities doing business within the U.S. can be money transmitters subject to FinCEN regulation, even if the foreign-located person or entity has no physical presence in the United States.<sup>8</sup> The phrase “other value that substitutes for currency” captures many substitutes for traditional fiat currency, including digital assets that either have an equivalent value denominated in a fiat currency or act as a substitute for fiat currency, which FinCEN calls “Convertible Virtual Currencies” or “CVCs.”<sup>9</sup> In other words, digital assets are CVCs when they can be exchanged (or “cashed-out”) for fiat currency or are used to pay for goods and services in place of fiat currency.

There are two categories of money transmitters relevant to blockchain game companies: (i) administrators and (ii) exchangers.

- i. *Administrators.* A blockchain game company provides money transmission services as an administrator if (1) the company is engaged as a business in issuing<sup>10</sup> a digital asset and has the authority to redeem<sup>11</sup> such digital asset, (2) the

<sup>5</sup> FinCEN Guidance, [Application of FinCEN’s Regulations to Certain Business Models Involving Convertible Virtual Currencies](#) (May 9, 2019).

<sup>6</sup> 31 CFR 103.11(uu).

<sup>7</sup> *Id.*

<sup>8</sup> FinCEN, [Application of FinCEN’s Regulations to Certain Business Models Involving Convertible Virtual Currencies](#).

<sup>9</sup> *Id.*

<sup>10</sup> “Issuing” means putting a digital asset into circulation, for example, by providing fungible tokens to reward players for completing in-game milestones, in exchange for real currency, or as a promotion.

<sup>11</sup> “Redeeming” means withdrawing the digital asset from circulation, whether in exchange for in-game assets or features, real-world goods or services, or real currency.



digital asset involved is a CVC, and (3) the company facilitates the movement of that digital asset from one person to another person or location. For example, if players can exchange an in-game digital asset for real currency (i.e. “cash-out”) or use the in-game digital asset to purchase real-world goods and services from vendors that accept that digital asset in place of real currency, then the digital asset is likely a CVC and the issuing blockchain game company is likely a money transmitter.

- ii. *Exchangers.* A blockchain game company provides money transmission services as an exchanger if the company is engaged in the business of exchanging virtual currency for real currency, funds, or other virtual currency. This requires an exchanger to have custody of such virtual currency, which in the blockchain game context means custody over the digital wallets in which player’s digital assets are stored. For example, a blockchain game company that hosts wallets<sup>12</sup> for players is an exchanger if (1) in-game digital assets stored in such in-game wallets are CVCs belonging to players; (2) players exchange in-game digital assets for other in-game items or with each other by interacting directly with the blockchain game company rather than with any payment system; and (3) the blockchain game company has ultimate control over the CVCs (even if contractually obligated to access the CVCs only on instructions from the player).

Thus, the key factors in determining whether a blockchain game company is a money transmitter are (i) whether the company’s in-game digital assets have equivalent real-world value as a currency or may substitute for currency, which is implicated by the cash-out mechanism available for many in-game digital assets, and (ii) whether the company has custody of players’ in-game digital assets, such as by hosting in-game wallets.

## B. Exempt Activities

Even if a company is acting as a money transmitter, there are several activities that are exempt from money transmission regulation. Two such exemptions are worth being aware of in the blockchain game context: (i) the integral exemption and (ii) the prepaid access exemption.

- i. *Integral Exemption.* If a company transfers only funds that are integral to the sale of goods or the provision of services (other than money transmission services), then the company is not a money transmitter. Three additional requirements must be satisfied to qualify for this exemptions: (i) the money transmission component must be part of the provision of a good or service that is distinct from money transmission itself, (ii) the exemption can only be claimed by the person that is engaged in the provision of goods or services distinct from money transmission, and (iii) the money transmission component must be integral for the provision of the goods and services. This exemption generally applies to closed-loop web2 games because in those games the acceptance of fiat currency and transmission of

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<sup>12</sup> Digital assets are held and accessed through digital wallets. Wallets can be un-hosted (or “self-hosted”) if the player controls their own private keys, or “hosted,” if the game or a third-party vendor that facilitates money transmission controls the player’s private keys.



virtual currency are integral to the sale of in-game digital goods and the provision of game services. However, based on FinCEN’s interpretive guidance dated May 9, 2019, this exemption does not extend to the issuance and transmission of value that substitutes for currency. In other words, this exemption may not extend to blockchain game companies issuing digital assets that can be cashed out for fiat currency, since the real-world value of those digital assets means that they may represent value that substitutes for currency.<sup>13</sup>

- ii. *Prepaid Access Exemption.* “Prepaid access” means access to funds that have been paid in advance and can be used in the future through an electronic device. For example, an electronic gift card that can be used in the future to make purchases through a computer or mobile device. However, prepaid access only covers real currencies, and does not cover CVCs. For blockchain game economies built on virtual currency that can be cashed-out and thus are likely CVCs, this means that the prepaid access exemption is largely unavailable. In addition, while providers of prepaid access are exempt from the money transmission rules, they are instead subject to the prepaid access rule, which imposes many similar obligations.<sup>14</sup>

C. Money Transmission in Blockchain Games

The table below lists various activities common in blockchain games and the circumstances under which those activities are more or less likely to indicate a blockchain game company is acting as a money transmitter. Some companies may find that activities that are less likely to implicate money transmission regulations strip away much of the value blockchain technology offers to video games. Because of the cash-out mechanism for many in-game digital assets, blockchain game companies may be included in FinCEN’s expansive money transmitter definition and thus must comply with FinCEN regulations.

Activity	Am I a Money Transmitter?	
	More Likely	Less Likely
<b>1. Issuing fungible tokens as in-game currency<sup>15</sup></b>	The in-game currency <ul style="list-style-type: none"> <li>• can be cashed out for fiat currency directly, either through in-game mechanisms or off-game exchanges, or indirectly, through exchanging such in-game currency for other</li> </ul>	The in-game currency <ul style="list-style-type: none"> <li>• cannot be directly or indirectly cashed out for fiat currency;</li> <li>• cannot be transferred outside the game;</li> <li>• the game contractually limits players from</li> </ul>

<sup>13</sup> FinCEN Guidance, [Application of FinCEN’s Regulations to Certain Business Models Involving Convertible Virtual Currencies](#) (May 9, 2019); see also 2011 MSB Final Rule, 76 FR at 43594 (stating “[P]ersons that sell goods or provide services other than money transmission services, and only transmit funds as an integral part of that sale of goods or provision of services, are not money transmitters.”)

<sup>14</sup> The Prepaid Access Rule requires providers and sellers of prepaid access to implement anti-money laundering programs, file suspicious activity reports, comply with recordkeeping requirements, and respond to law enforcement requests. 31 CFR § 1022.380.

<sup>15</sup> This includes issuing fungible tokens for in-game engagement, in exchange for fiat currency or other digital assets, or through staking rewards.



	<p>digital assets that can be cashed out for fiat currency;</p> <ul style="list-style-type: none"> <li>nothing contractually limits players from transferring in-game assets out-of-game.</li> </ul>	<p>transferring in-game assets out-of-game.</p>
<p><b>2. Issuing NFTs as in-game items<sup>16</sup></b></p>	<p>The in-game NFTs</p> <ul style="list-style-type: none"> <li>have fungible characteristics, such as many of the same items being released, or ownership over NFTs being divided into fractions so that several players share ownership of the same NFT;</li> <li>can be directly or indirectly cashed out for fiat currency, either through in-game mechanisms or off-game exchanges;</li> <li>nothing contractually limits players from transferring in-game assets out-of-game.</li> </ul>	<p>The in-game NFTs</p> <ul style="list-style-type: none"> <li>are each unique;</li> <li>have an initial purchase price proportionate to their in-game utility;</li> <li>cannot be directly or indirectly cashed out for fiat currency;</li> <li>the game contractually limits players from transferring in-game assets out-of-game.</li> </ul>
<p><b>3. Operating an in-game marketplace</b></p>	<ul style="list-style-type: none"> <li>In-game marketplace allows for the trading of in-game digital assets among users;</li> <li>Items available through the in-game marketplace have prices denominated in real-world currencies.</li> </ul>	<ul style="list-style-type: none"> <li>The game does not host or support an in-game marketplace for the trading of in-game digital assets among users;</li> <li>Prices for items available through the in-game marketplace are not denominated in real-world currencies.</li> </ul>
<p><b>4. Allowing players to create content and trade such content in-game</b></p>	<p>Players can create and sell or trade digital assets in-game, and those digital assets or the proceeds of those sales or trades can be cashed out for fiat currency, either through in-game mechanisms or off-game exchanges.</p>	<p>The game restricts in-game selling and trading of player-created content such that the proceeds of those sales or trades cannot be cashed out for fiat currency.</p>
<p><b>5. Supporting in-game wallets</b></p>	<p>The game company holds players' private keys or has ultimate control over players' funds.</p>	<p>The game company does not hold players' private keys or have ultimate control over players' funds.</p>
<p><b>6. Allowing players to send and receive gifts</b></p>	<p>The in-game digital assets players are allowed to gift can also be directly or indirectly</p>	<p>Player gifting is restricted to in-game assets that cannot be</p>

<sup>16</sup> This includes issuing NFTs for in-game engagement and in exchange for fiat currency or other digital assets.





	cashed out for fiat currency, either through in-game mechanisms or off-game exchanges.	directly or indirectly cashed out for fiat currency.
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#### D. Federal Regulatory Obligations

Blockchain game companies that meet the definition for money transmitters are subject to federal MSB registration, recordkeeping, and recording requirements. This includes the development, implementation, and maintenance of policies, procedures, and internal controls in support of BSA compliance.

- i. *Registration:* MSBs must register with FinCEN, a bureau of the U.S. Department of the Treasury that maintains and analyzes financial transactions data for law enforcement purposes.
- ii. *Recordkeeping.* Once registered, MSBs must record and retain a copy of the filed registration form, an estimate of business volume, information regarding ownership or control of the business, and a list of agents for the business at a location in the U.S. for a period of 5 years, updated annually. MSBs must also develop and implement an anti-money laundering (“AML”) compliance program that includes policies, procedures and internal controls reasonably designed to assure compliance with the BSA, and which should reasonably prevent individuals from using the MSB to facilitate money laundering or to finance terrorist activities. As part of an AML program, an MSB must maintain records of certain transactions and must record and verify customers’ identities by collecting names, addresses, dates of birth, identifying numbers (such as passport numbers or taxpayer identification numbers and related documentation (also referred to as “Know Your Customer” or “KYC”)).
- iii. *Reporting.* MSBs must file reports with FinCEN when they have a cash-in or cash-out currency transaction, or multiple transactions, totaling more than \$10,000 during one business day for any one person, or on behalf of any one person, and when they know, suspect, or have reason to suspect that the transaction or pattern of transactions is suspicious and involves \$2,000 or more. In addition, under the funds travel rule, a transmittal of funds of \$3,000 or more (or its equivalent in digital assets) also triggers reporting requirements.<sup>17</sup>

#### II. State Money Transmission Licenses

In addition to federal money transmitter obligations, 49 of 50 states and the District of Columbia require money transmitters operating within the state, or who have customers within the state, to obtain and maintain a license.<sup>18</sup> Although states generally share the goal of regulating money transfers, each state defines money transmission differently, meaning that

<sup>17</sup> 1 CFR § 1022.380; see also FinCEN, [Funds “Travel” Regulations: Questions & Answers](#).

<sup>18</sup> Montana is the only state that does not require licensing for money transmitters.



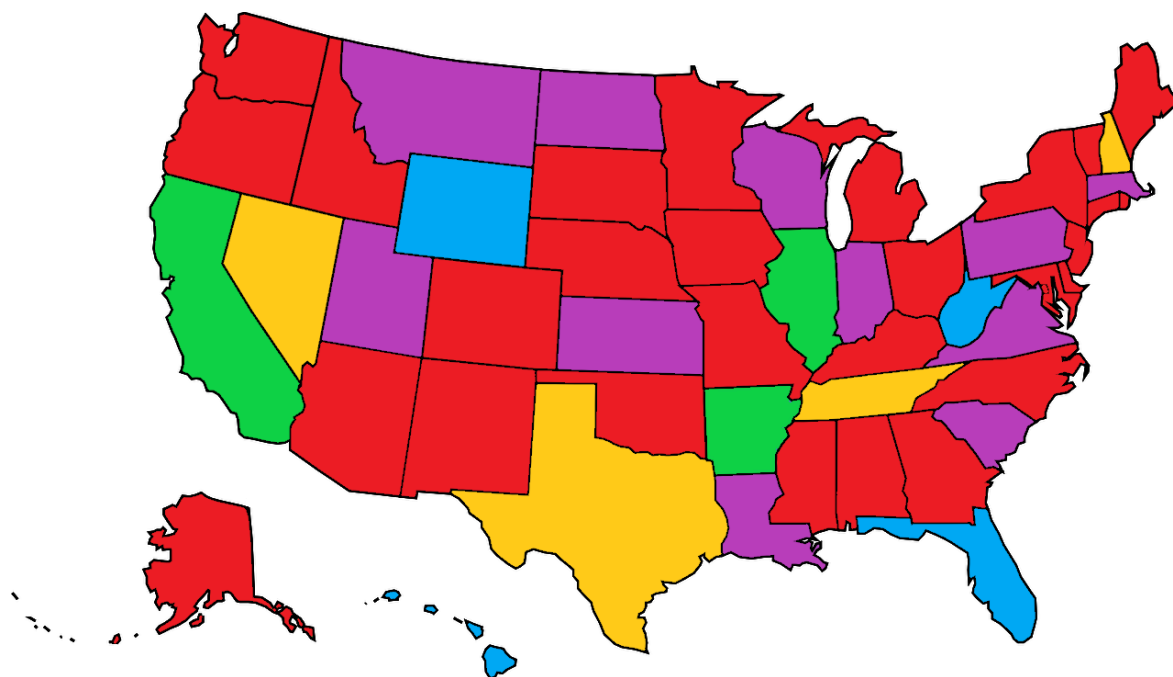
certain activities may be within the scope of regulation in one state, but outside the scope in another. Determining the application of each state’s money transmission obligations is a laborious undertaking, especially since many states have not revised their money transmission statutes to accommodate emerging technology and haven’t clarified where virtual currencies fall within existing money transmission laws. In states that require licenses for virtual currency transmission, companies must then meet state-specific application and ongoing compliance requirements, which often include submitting extensive financial and organizational records for examination by state regulators. Typically, states also require applicants to meet a minimum net worth threshold, to have three years of experience in money transmission or similar financial services, and to demonstrate good moral character. Failure to comply is generally a criminal offense, punishable by imprisonment and a fine.

Recognizing the complexity associated with determining compliance requirements for multiple state licensing regimes, a number of states have created a multistate framework that standardizes key elements of the licensing process for money transmitters.<sup>19</sup> The framework is based on reciprocity: if one state reviews key elements of state licensing for a money transmitter, such as cybersecurity, business plan, background check, and compliance with the federal BSA, then other participating states agree to accept the findings. However, only 23 states have committed to the framework, and although those states have agreed to reciprocity for some elements of licensing, there are additional state-specific requirements, such as state background check authorizations and the submission of financial statements, that must be met before a license is granted. In addition, companies headquartered outside the U.S. and companies with prior unlicensed activity may be disqualified from participating in the multistate protocol, potentially excluding many global innovative blockchain game companies.

The table in [Annex I](#) provides an overview of each state’s current position on whether state money transmitter rules require licenses for companies transmitting digital assets, usually referred to as virtual currencies under state law. Currently, 28 states and the District of Columbia require licenses for companies transmitting virtual currencies, while 11 states do not. Four require licenses for companies transmitting virtual currencies only under specific circumstances (such as transactions involving stablecoins). Another four states have created regulatory sandboxes that permit blockchain companies to operate under temporary, experimental rules that aim to foster innovation while providing data for future regulation. And, finally, three states have not indicated whether companies transmitting virtual currencies must apply for a license but have, in the past, issued no-action letters<sup>20</sup> in response to inquiries by blockchain companies, including, in Arkansas, a blockchain game company. This information is also represented in the map below.

<sup>19</sup> Participating states include California, Connecticut, Georgia, Iowa, Idaho, Illinois, Kansas, Kentucky, Louisiana, Massachusetts, Mississippi, North Carolina, North Dakota, Nebraska, Ohio, Rhode Island, South Dakota, Texas, Tennessee, Utah, Vermont, Washington, and Wyoming.

<sup>20</sup> No-action letters are issued by the staff of regulatory agencies in response to requests by companies for determinations on whether particular activities constitute violations of the relevant laws and regulations. A no-action letter is not a statement of legality, but merely an indication that the staff member issuing the letter will not recommend legal action against the requesting company should the company engage in the course of action proposed by the company in its request.



- License Required for Virtual Currency
- License May Be Required for Virtual Currency
- No License is Required for Virtual Currency
- Regulatory Sandbox for Virtual Currency
- History of No-Action Letters for Virtual Currency

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### III. Current Market Practice

Although the regulatory regime for money transmitters is daunting, there are third party vendor solutions to the entangled state and federal obligations imposed by money transmission rules. Current popular blockchain games provide insights into some of the several third-party service providers that host wallets, maintain money transmitter licenses, and implement AML compliance programs so that their blockchain game company clients can instead focus on developing and publishing great games. To gain a better understanding of the market practices around money transmission compliance for blockchain games, we reviewed five of the most popular games, each of which is listed in the table below (the “Sample Blockchain Games”).

Game Title	Developer	Digital Assets	
		Token	NFT
<a href="#">Benji Bananas</a>	Animoca Brands	PRIMATE	Membership Pass
<a href="#">Axie Infinity</a>	Sky Mavis	SLP, AXS	Axies
<a href="#">Upland</a>	Uplandme, Inc	UPX, SPARK	Property
<a href="#">Arc8</a>	Gamee Mobile	GMEE	G-bots
<a href="#">Planet IX</a>	Nibiru Software	IXT	Land

Each of the Sample Blockchain Games uses a different third-party vendor for AML/KYC compliance. However, the five games do not require AML/KYC compliance during game onboarding, presumably to avoid player signup friction. Instead, as noted in the table below,





AML/KYC compliance is triggered by either earning in-game digital assets, purchasing in-game digital assets with fiat currency, or withdrawing digital asset rewards.

Game Title	Triggering Activity	AML/KYC Vendor
Benji Bananas	To earn PRIMATE	Blockpass
Axie Infinity	To purchase in-game digital assets with fiat	Ramp Network
Upland	To receive UPX and SPARK rewards	Tilia
Arc8	To withdraw over 2000 GMEE	Passbase
Planet IX	To receive in-game digital asset rewards	Synaps

According to searches run on FinCEN’s MSB Registrant Search, of the five AML/KYC Vendors listed in the table above, only Tilia and Ramp Network are federally registered MSBs. Although not represented in the above list, other services are emerging as registered MSBs and compliance resources for blockchain game companies. For example, [Forte](#), a blockchain game platform, incubated and incorporated into its platform Provenance Technologies Inc. (“PTI”), a federally registered MSB that also has state money transmission licenses and a BitLicense, New York’s experimental virtual currency business license. Inclusive of the companies mentioned above, the table below outlines a list of compliance vendors either used by or marketed to blockchain games, whether they’re registered MSBs, and whether they hold state Money Transmitter Licenses.

Vendor	FinCEN Registered MSB <sup>21</sup>	State Money Transmitter Licenses
<a href="#">Blockpass</a>	No	No
<a href="#">Ramp Network</a>	Yes	Ramp holds Money Transmitter Licenses in 35 states and the District of Columbia. <sup>22</sup>
<a href="#">Tilia</a>	Yes	Tilia holds Money Transmitter Licenses in 45 states, the District of Columbia, Puerto Rico, and the US Virgin Islands <sup>23</sup>
<a href="#">Passbase</a>	No	No
<a href="#">Synaps</a>	No	No
<a href="#">Forte’s PTI</a>	Yes	PTI holds Money Transmitter Licenses in 49 states, Puerto Rico, and the District of Columbia. PTI also holds a New York BitLicense. PTI’s Money Transmitter Licenses in Indiana and Alaska does not cover the transmission of virtual currency. <sup>24</sup>
<a href="#">Stardust</a>	Yes	Stardust holds Money Transmitter Licenses in 10 states, and anticipates all 50 licenses being approved by Q2 ‘23 <sup>25</sup>

<sup>21</sup> Based on a search of the company on FinCEN’s [MSB Registrant Search](#).

<sup>22</sup> Ramp, [Supported countries, territories, and U.S. states for buying and selling crypto](#).

<sup>23</sup> Tilia, [Licenses](#).

<sup>24</sup> Provenance Technologies, [Licences](#).

<sup>25</sup> Stardust, [Regulatory Compliance](#).



ANNEX I: STATE-BY-STATE MONEY TRANSMITTER RULES

STATE	RELEVANT LAW
<b>License Required for Virtual Currency</b>	
Alabama	Ala. Code § 8-7A-2; Ala. Code § 8-7A-5
Alaska	Alaska Stat. § 06.55.990(15)
Arizona	Ariz. Rev. Stat. § 6-1201(17)
Colorado	§ 11-110-103(11), C.R.S.; <a href="#">Colorado's 2018 Interim Guidance</a> .
Connecticut	Conn. Gen. Stat. § 36a-596(18); Conn. Gen. Stat. § 36a-597; Conn. Gen. Stat. § 36a-598(a)(iv); Conn. Gen. Stat. § 36a-600(c)-(d); Conn. Gen. Stat. § 36a-602(a); Conn. Gen. Stat. § 36a-603(b)
Delaware	5 Del. C. § 2303
District of Columbia	<i>United States v. Harmon</i> , 474 F. Supp. 3d 76, 89 (D.D.C. 2020)
Georgia	O.C.G.A. §7-1-680(13), (26); O.C.G.A. §7-1-681; O.C.G.A. §7-1-690
Idaho	Idaho Code 26-2902(11); <a href="#">Idaho Money Transmitters Section</a>
Iowa	Iowa Code § 533C.103
Kentucky	KRS 286.11-003
Maine	32 MRSA §6102(10)
Maryland	Md. Code, Fin. Inst. § 12-401(n)(1); <a href="#">Regulated Financial Industries</a>
Michigan	MCL 487.1003(c); Michigan's Department of Insurance and Financial Services FAQs; 2019 Guidance for Consumers and Industry
Minnesota	Minn. Stat. § 53B.03
Mississippi	Miss. Code § 75-15-3(f); Miss. Code § 75-15-3(g)
Missouri	Mo. Rev. Stat. § 361.700(2)(1)
Nebraska	Neb. Rev. Stat. § 8-2715; Neb. Rev. Stat. § 8-2724
New Jersey	N.J.S.A. 17:15C-2
New Mexico	NMSA 1978 § 58-32-102; Financial Institutions Division, Money Services Businesses; FAQs
New York	23 NYCRR §§ 200.1-200.22; N.Y. Banking Law § 641; BitLicense FAQs
North Carolina	N.C.G.S. § 53-208.42(13)(b), (15); N.C.G.S. § 53-208.44(8); N.C.G.S. § 53-208.47(d); N.C.G.S. § 53-208.48(c)
Ohio	Ohio Rev. Code § 1315.01(G)
Oklahoma	6 O.S. § 1512(7)
Oregon	ORS 717.200(10)(b)
Rhode Island	G.L.1956 § 19-14-1(4)(ii); G.L.1956 § 19-14-2(3); G.L.1956 § 19-14.3-1; G.L.1956 § 19-14.3-3.5; G.L.1956 § 19-14.3-3.6; Rhode Island Currency Transmission Law: Frequently Asked Questions
South Dakota	SDCL 51A-17-1(13); Virtual Currency Transmission in South Dakota
Vermont	8 V.S.A. § 2505
Washington	RCW 19.230.010(18); WAC 208-690-015(4)
<b>License Sometimes Required for Virtual Currency</b>	
Nevada	NRS § 671.010(1); NRS § 671.040(1); The Financial Institutions Division, Statement on Regulation of Cryptocurrency in Nevada
New Hampshire	RSA § 399-G:1(VII); RSA § 399-G:1(XV); RSA § 399-G:2
Tennessee	<a href="#">Regulatory Treatment of Virtual Currencies Under the Tennessee Money Transmitter Act</a> (Dec. 16, 2015)
Texas	Supervisory Memorandum 1037, Regulatory Treatment of Virtual Currencies Under the Texas Money Services Act, Apr. 1, 2019
<b>No License Required for Virtual Currency</b>	
Indiana	Ind. Code § 28-8-4-13; <a href="#">MTL New Application Checklist</a>
Kansas	K.S.A. § 9-508(h); <a href="#">Regulatory Treatment of Virtual Currencies Under the Kansas Money Transmitter Act</a> (May 18, 2021)
Louisiana	La. Rev. Stat. §§ 6:1381; La. Rev. Stat. § 6:1032(13); Consumer and Investor Advisory on Virtual Currency (August 2014)



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Massachusetts	209 CMR 45.02; Division of Banks, Opinion 19-008 (Jan. 17, 2020); Division of Banks, Opinion 20-003 (May 22, 2020)
Montana	Department of Banking and Financial Regulations
North Dakota	NDCC 13-09
Pennsylvania	7 P.S. § 6101; Money Transmitter Act Guidance for Virtual Currency Businesses
South Carolina	Money Services FAQs; Interpretive Letter of Dec. 5, 2018
Utah	Utah Code § 7-25-102(9)(b).
Virginia	Va. Code § 6.2-1900, et seq
Wisconsin	Wis. Stat. § 217.03; <a href="#">Sellers of Checks</a>
<b>Regulatory Sandbox for Virtual Currency</b>	
Florida	Fla. Stat. §560.103(23); State v. Espinoza, 264 So. 3d 1055 (Fla. Dist. Ct. App. 2019); Fla. Stat. §896.101(f); Fla. Stat. §559.952(4)(a)(3)-(14)
Hawaii	Haw. Rev. Stat. § 489D-4; <a href="#">DCIL FAQs</a>
West Virginia	W. Va. Code § 32A-2-1(6); W. Va. Code § 31A-8G-4(d)-(e)
Wyoming	Wyo. Stat. § 40-22-104(a)(vi); Wyo. Stat. §§ 40-29-101 through 40-29-109; 021.0008.1 Wyo. Code R. §§ 1-8; Wyo. Stat. § 40-22-104(b)
<b>History of No-Action Letters for Virtual Currency</b>	
Arkansas	A.C.A. § 23-55-102(12)(A); A.C.A. § 23-55-701(b); <a href="#">In re Mythical, Inc.</a> (June 22, 2020)
California	<a href="#">DFPI Statement re: Coinbase</a> (Jan. 27, 2015).
Illinois	205 ILCS 657/5; <a href="#">Digital Currency Regulatory Guidance</a> (June 13, 2017).

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