CJG

State of New Hampshire

Banking Department

53 Regional Drive,
Suite 200 Concord, New
Hampshire 03301

Telephone: (603) 271-3561

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August 11, 2025

Her Excellency, Governor Kelly A. Ayotte
and the Honorable Council
State House
Concord, New Hampshire 03301

REQUESTED ACTION

The New Hampshire Banking Department (NHBD) respectfully requests **retroactive** authority to continue its membership and participation in the Conference of State Bank Supervisors (CSBS), Vendor Number 170735, in the amount of $48,006, effective upon Governor and Council approval for the period July 1, 2025, through June 30, 2026. **100% Other Funds (Assessment Fees).**

Funds to support this request are available in account, Banking and Consumer Credit Division, as follows:

Account	Description	FY 2026
010-072-072-720010-20460000-026-500251	Organizational Dues	$32,372
010-072-072-720510-20430000-026-500251	Organizational Dues	$15,634
	Total	$48,006

EXPLANATION

This request is **retroactive** because final NHBD expenditure numbers are used in the calculation to determine the amount of dues. The CSBS is the nationwide professional organization of financial regulators from all 50 states, the District of Columbia, Guam, Puerto Rico and the U.S. Virgin Islands. The CSBS was organized in 1902 to support state financial service regulators in advancing the system of state financial supervision by promoting safety and soundness, consumer protection and economic growth and fostering innovative, responsive supervision. The NHBD has been a member of CSBS since 1914.

The CSBS assists member financial regulators in many areas of operation, regulation and education, including, but not limited to: coordinating multi-state resources; tracking federal legislative and rulemaking proposals and advocating for member regulators in Washington, D.C.; providing high quality education and training opportunities for financial examiners and other regulatory personnel; and developing and deploying a variety of innovative regulatory and analytic tools that increase regulatory efficiencies. In particular, the CSBS provides

the NHBD with access to the Nationwide Multistate Licensing System (NMLS). Under the federal SAFE Act and various state financial service laws, the NHBD is required to use the NMLS as the system of record for licensing and supervising all financial service licensees. Additionally, the CSBS provides the NHBD with use of the State Examination System, which is a multistate database and software system that facilitates the examination of most entities under the jurisdiction of the NHBD and enables the NHBD to coordinate and share information with sister-state regulators. Moreover, the NHBD utilizes the State Examination System to investigate and facilitate the resolution of consumer complaints. The NHBD's use of the NMLS and the State Examination System results in a more efficient and effective regulatory environment for financial services and the New Hampshire consumers who use those services.

The following are the standard organization dues and membership questions and answers for Governor and Council approval.

1. How long has this organization been in existence and how long has this agency been a member of this organization?

   CSBS was organized in 1902. NHBD has been a member since 1914.

2. Is there any other organization that provides the same or similar benefits to which your agency belongs?

   No. The NHBD belongs to other organizations focused on specific financial industry areas such as the American Association of Residential Mortgage Regulators (AARMR), National Association of Consumer Credit Administrators (NACCA) and Money Transmitter Regulators Association (MTRA). The dues for these organizations are minimal and allow us to obtain some training and to interact with other states regarding nuanced issues specific to these industry types. However, none of these organizations are able to replace CSBS because CSBS tools and resources are core to the functions of the NHBD such as the NMLS and the State Examination System.

3. How many other states belong to this organization, and is your agency the sole New Hampshire state agency that is a member?

   CSBS is the nationwide professional organization of financial regulators from all 50 states, the District of Columbia, Guam, Puerto Rico, and the US Virgin Islands.

   NHBD is the sole member of the State of New Hampshire.

4. How is the dues structure established?

   CSBS membership is on a fiscal year basis (July 1 – June 30). Supervisory Dues are calculated based on the portion of each state banking agency's expenditures dedicated to the regulation of insured depository institutions (banks only) and then indexed to an inflation calculation each year. Non-Depository Dues are calculated based on the portion of each state banking agency's expenditures dedicated to the regulation of non-bank institutions, including mortgage lenders, brokers and servicers, small loan lenders, non-depository trusts, and money service businesses.

   The department's budgeted expenditures are separated into two divisions: Banking Division, which regulates depository banks, credit unions, and non-depository trusts companies; and Consumer Credit Division, which regulates debt adjusters, mortgage bankers, brokers, money transmitters, sales finance companies, small loan lenders, and retail sellers. Since the Banking

Division regulates non-depository trust companies, a portion of the Non-Depository Dues is allocated to the Banking Division.

5. What benefit does the state receive from participating in this membership?

   Membership allows interaction with other state and federal regulators and to have representation in challenging situations. CSBS provides educational and developmental opportunities, organizes communication sessions for the collective group of members, represents the interests of state financial regulators to federal and state policymakers and regulatory agencies, and offers accreditation programs. Membership promotes greater collaboration with our sister states. Also, serving on CSBS sponsored committees gives us insight into emerging issues and problem company concerns, which helps keep small states such as New Hampshire informed. NHBD also gains valuable metrics and data analytics from the tools CSBS provides as well as the use of many software applications and databases included in membership.

6. Are training or educational/research materials included in the membership? If so, is the cost included? Explain in detail.

   Yes, educational and research materials include webinars, teleconferences, numerous publications, informational memorandums, draft press releases, and facts and figures. CSBS holds numerous webinars throughout the year where members and participants participate from around the country. Discussion topics include circumstances that collectively impact the regulatory system and allow participants to share and gain important information.

   CSBS offers an online training module. Since this module's introduction in 2010, NHBD examiners have completed thousands of online trainings. Research materials are provided for each training module free of charge. NHBD participates in numerous online webinars each fiscal year.

7. Is the membership required to receive any federal grants or required to receive or participate in licensing or certification exams? Explain.

   Yes. The NHBD regulates non-bank mortgage companies. In 2009, the Federal SAFE Act required all mortgage loan originators (MLOs) to be licensed in the states where they originate mortgages. If a state failed to provide a licensing scheme, the US Department of Housing and Urban Development (HUD), whose duties have now been taken over by the Consumer Financial Protection Bureau (CFPB), would license and regulate that state's MLOs. To comply with the Federal SAFE Act requirement and help avoid having state licensing duties taken over by the CFPB, the CSBS developed the NMLS for state agencies to use to license mortgage companies and MLOs.

   Under the SAFE Act, states are also required to have a system of regulation and examination in place that is to be judged by the CFPB as "adequate" for regulating this industry. Accreditation by the CSBS is one benchmark of having an "adequate" system of regulation and examination. The NHBD has been accredited by the CSBS since 2014. To maintain accreditation, the NHBD must be a member of CSBS.

8. Is there any travel included with this membership fee? Explain in detail any travel to include the number of employees involved, the number of trips, destination if known and purposes of membership-supported trips.

Generally, no; however, the membership fee allows participation in some CSBS-sponsored conferences and classes where CSBS covers the tuition and travel costs. Additionally, to the extent an NHBD staff member serves on a CSBS committee, CSBS reimburses for any travel costs associated with committee work.

9. Which state agency employees are directly involved with this organization? (Indicate if they are members, voting members, committee members, and officers of the organization.)

   The Commissioner is a member of the NMLS Policy Committee for CSBS and is the Vice Chair of the District One geographic district of state regulators. The Director of Trust Supervision is a committee member of the Non-Depository Trust Working Group. Members of our legal team occasionally serve on working group committees.

   CSBS is governed by a set of corporate bylaws and a Board of Directors, which is composed of 20 supervisors. The individual states are represented on the Board by six elected Officers and District Chairmen from five geographic districts, appointed committee chairs, and two at large members. The Board of Directors has supervision, control and direction of the affairs of the Conference, its affiliates, its committees and publications, and shall determine its policies and actively prosecute its objectives. Regulator members include all 50 state regulatory departments plus those of several territories. Regulators are the voting members of CSBS. The Commissioner of the NHBD represents the State of New Hampshire as a voting member of CSBS.

10. Explain in detail any negative impact to the state if the agency did not belong to this organization.

    To effectively fulfill its mission, NHBD must continue to interact and partner with other financial regulators at the state and federal levels. This is a key and lasting characteristic of the financial institution regulatory system. CSBS facilitates this interaction relative to banks, trust companies and consumer credit licensees. Regulation and supervision are not stagnant – they evolve and change, often-times to a significant degree.

    Discontinuing NHBD's membership would result in the following detrimental impacts:

    - Loss of the use of the NMLS for licensing thousands of consumer credit licensees and a corresponding increase in time and expense to re-create a licensing database that includes a method to accept payments from licensees;
    - Loss of the efficient facilitation of examinations and consumer complaints through the State Examination System and a corresponding increase in time and expense to re-create an examination and consumer complaint platform;
    - Loss of centralized information source regarding current and emerging regulatory issues; and
    - Loss of training/developmental/information sharing opportunities;
    - Loss of the ability to defend NHBD's interests, particularly on a national scale; and
    - Loss of mechanism for collective communications with peer regulators.

    In summary, NHBD would undoubtedly become more isolated and would lose efficiencies and effectiveness in its ability to regulate its chartered and licensed institutions.

A copy of the invoices are attached for your review.

Your consideration of our request is appreciated.

Respectfully submitted,

Emelia Galdieri

Emelia A. Galdieri
Bank Commissioner

Enclosure

INVOICE

Conference of State Bank Supervisors
1300 I St NW
Suite 700 East
Washington DC 20005

Invoice #	INV10608
Date	8/5/2025
Account #	5747

BILL TO
New Hampshire Banking Department
53 Regional Drive
Suite 200
Concord NH 03301

DESCRIPTION	AMOUNT
Supervisory Dues for the period from 7/1/2025 through 6/30/2026	$17,480.00

Total	**$17,480.00**
Amount Paid	**$0.00**
Amount Open	**$17,480.00**

For billing inquiries, please send an email to accounting@csbs.org

REMITTANCE ADDRESS:

P.O. Box 791272, Baltimore, MD, 21279-1272
Tel: 202-296-2840
Fax: 202-296-1928
Tax ID 52-2080072

ELECTRONIC PAYMENT INFORMATION:

Account Number – 206706669, Routing Number – 055002707

Pay with the QR code, or click this secure link.

INVOICE

Conference of State Bank Supervisors
1300 I St NW
Suite 700 East
Washington DC 20005

Invoice #	INV10609
Date	8/5/2025
Account #	5747

BILL TO
New Hampshire Banking Department
53 Regional Drive
Suite 200
Concord NH 03301

DESCRIPTION	AMOUNT
Non-Depository Dues for the period from 7/1/2025 through 6/30/2026	$30,526.00

Total	**$30,526.00**
Amount Paid	**$0.00**
Amount Open	**$30,526.00**

For billing inquiries, please send an email to accounting@csbs.org

REMITTANCE ADDRESS:

P.O. Box 791272, Baltimore, MD, 21279-1272
Tel: 202-296-2840
Fax: 202-296-1928
Tax ID 52-2080072

ELECTRONIC PAYMENT INFORMATION:

Account Number – 206706669, Routing Number – 055002707

Pay with the QR code, or click this secure link.