Money Transmitter Surety Bond Requirements

A state by state reference for licensees, counsel and compliance officers

Covering the 49 licensing U.S. states, the District of Columbia, Puerto Rico, the U.S. Virgin Islands and Guam.

PUBLISHED BY

Surety One, Inc.

Surety bond MGA representing admitted carriers nationwide

Raleigh, NC · San Juan, PR

EDITION

November 2026

I. FOREWORD

From the underwriter's desk

The American money transmission industry has changed more in the last five years than in the preceding fifty. Fintech intermediaries now move trillions of dollars annually; consumers expect instantaneous P2P and cross border settlement; and virtual currency platforms have entered the regulatory perimeter alongside traditional remittance operators. The legal infrastructure under which these businesses operate has scrambled to keep up.

This report exists to give licensees, their counsel and their compliance officers a single, current reference for the surety bond requirement in every U.S. jurisdiction that licenses money transmitters. Forty nine of the fifty states require a bond; the District of Columbia, Puerto Rico, the U.S. Virgin Islands and Guam each impose their own. Montana, alone, neither licenses nor bonds money transmitters.

Where a jurisdiction has adopted the Money Transmission Modernization Act in whole or in part, we identify the formula and note the effective date. Where the bond is activity based or regulator determined, we say so plainly rather than quote a stale figure. Bond amounts move with the business; licensees should always confirm the current penal sum with the obligee before binding coverage.

Surety One, Inc. is a managing general agency representing admitted surety carriers. We underwrite, place and file money transmitter bonds in every jurisdiction below, including Electronic Surety Bond filings through the Nationwide Multistate Licensing System. We hope this report serves you well.

Surety One was founded by C. Constantin Poindexter, a thirty year veteran of the surety industry, a Chartered Property Casualty Underwriter and the author of The Contractor's Guide to Surety Bonds: A Primer on Contract Surety Bonding for Construction Professionals, a landmark resource in the contract surety field. Under his leadership Surety One has grown into an international managing general agency licensed across the United States and its territories, Canada and the Dominican Republic, and the firm's underwriting standards reflect his commitment to the discipline.

Surety One, Inc. · Underwriting Department
Raleigh, North Carolina · November 2026

II. CONTENTS

What's in this report

I.	Foreword	02
II.	Contents	03
III.	Executive summary	04
IV.	The Money Transmission Modernization Act	05
V.	How to read this report	06
VI.	State by state matrix	07
VII.	Underwriting submission requirements	10
VIII.	About Surety One, Inc.	11

III. EXECUTIVE SUMMARY

By the numbers

53	1	30+	$500K
U.S. jurisdictions that require a bond	State with no licensing regime (Montana)	Jurisdictions adopting the MTMA in whole or part	MTMA model cap on the surety bond

Why a bond is required

Money transmitters handle other people's money. State financial regulators require a surety bond as a condition of licensure to ensure that, if a licensee misappropriates customer funds, fails to transmit as instructed, or otherwise violates the state's money transmission act, harmed consumers and the state itself have a source of recovery. The bond is a three party guarantee: the licensee (principal) promises compliance, an admitted surety carrier (insurer) guarantees that promise to the regulator (obligee), and claimants may recover up to the penal sum.

The size question

Penal sums range from a low of $10,000 (Idaho, Washington, Wyoming) to a high of $7,000,000 (California, on volume), with $2,000,000 statutory ceilings in Florida, Georgia, Illinois, Maryland, New Mexico, Ohio and Vermont and discretionary authority to $5,000,000 in Alabama and Kentucky. The Money Transmission Modernization Act, now adopted in whole or in part by more than thirty jurisdictions, has standardized the requirement around a formulaic figure: the greater of $100,000 or 100% of the licensee's average daily money transmission liability in the state, capped at $500,000. The state by state matrix below identifies which jurisdictions follow the model formula, which adopt it with modified floors or caps, and which retain a bespoke or activity based requirement.

IV. THE MONEY TRANSMISSION MODERNIZATION ACT

A new uniform standard

The Money Transmission Modernization Act, approved by the Conference of State Bank Supervisors in 2021, is the most consequential reorganization of state money transmission law in a generation. More than thirty jurisdictions have enacted the MTMA in whole or in part, and licensees in jurisdictions that have adopted it now account for roughly 99% of reported money transmission activity nationwide.

The four pillars of MTMA prudential regulation

- Tangible net worth. A floor of $100,000 or a graduated percentage of assets, whichever is greater.
- Surety bond. Greater of $100,000 or 100% of average daily money transmission liability in the state for the most recent three month period, capped at $500,000.
- Permissible investments. Equal to the aggregate of all outstanding money transmission obligations, measured at market value.
- Authorized delegate oversight. Quarterly reporting and ongoing licensee responsibility for the conduct of delegated agents.

Practical implications for licensees

The bond is now activity based. In an MTMA jurisdiction the penal sum is recalculated against the licensee's average daily money transmission liability in the state. A licensee whose volume grows during the year will be required to increase the bond at renewal.

The $500,000 safe harbor. Licensees that maintain a bond of at least $500,000 are generally relieved of the obligation to calculate average daily liability in the state, a meaningful administrative simplification.

Electronic Surety Bond filing. The MTMA expressly contemplates the NMLS Electronic Surety Bond framework; paper bonds are increasingly being retired in favor of electronic filing.

No fidelity mandate. The MTMA does not require a fidelity bond or errors and omissions policy as a condition of licensure. States that previously imposed those requirements generally repeal them upon full adoption.

V. HOW TO READ THIS REPORT

Conventions and caveats

The state by state matrix that follows uses a uniform structure. For each jurisdiction we list the regulator, the bond formula or amount, and the principal statute or rule. Where a jurisdiction has adopted the Money Transmission Modernization Act we say so, with the effective date where notable.

Three caveats

Bond amounts move. Most jurisdictions recalculate the required penal sum annually based on the licensee's reported transmission volume. The figures stated in this report reflect statutory minima, maxima and formulae current as of November 2026; the figure required for a particular licensee may differ. Confirm the current penal sum with the obligee before binding coverage.

This report is not legal advice. Surety One, Inc. is a surety bond MGA, not a law firm. The summaries below are intended for orientation; substantive licensure questions should be referred to qualified counsel and, where applicable, the relevant state regulator.

Modernization is still in motion. Legislatures continue to enact the model act, and regulators continue to issue implementing rules. A jurisdiction listed with a legacy schedule today may carry the model formula at your next renewal.

Acronyms

ADMTL	Average daily money transmission liability
CSBS	Conference of State Bank Supervisors
ESB	Electronic Surety Bond (filed via NMLS)
FinCEN	Financial Crimes Enforcement Network (U.S. Treasury)
MGA	Managing general agency
MSB	Money services business
MTMA	Money Transmission Modernization Act (CSBS model)
NMLS	Nationwide Multistate Licensing System & Registry

VI. STATE BY STATE MATRIX

Money transmitter bond requirements

CODE	JURISDICTION	REGULATOR	BOND FORMULA / PENAL SUM	CITATION / NOTES
AL	Alabama	Securities Commission	Greater of $100,000 or a formula on average daily outstanding transmission obligations; Commission may require up to $5,000,000	Ala. Code § 8-7A-1 et seq. (Monetary Transmission Act; MTMA-aligned)
AK	Alaska	Div. of Banking & Securities	$25,000 base + $5,000 per location (additions capped at $125,000); may be increased to $500,000	Alaska Stat. § 06.55.104
AZ	Arizona	Dept. of Insurance & Financial Institutions	Greater of $25,000 or 100% of ADMTL; cap $500,000 ($25,000 if tangible net worth exceeds 10% of assets)	MTMA: Ariz. Rev. Stat. tit. 6, ch. 12 ($25,000 floor)
AR	Arkansas	Securities Department	MTMA formula: greater of $100,000 or 100% of ADMTL; cap $500,000 ($100,000 if tangible net worth exceeds 10% of assets)	MTMA: Ark. Code tit. 23, ch. 55
CA	California	Dept. of Financial Protection & Innovation	$250,000 to $7,000,000 (money received for transmission); separate, cumulative $500,000 to $2,000,000 for payment instruments and stored value	Cal. Fin. Code div. 1.2 (Money Transmission Act)
CO	Colorado	Division of Banking	Greater of $250,000 or 100% of ADMTL; cap $1,000,000	MTMA: C.R.S. § 11-110-101 et seq. ($250,000 floor)
CT	Connecticut	Dept. of Banking	$300,000, $500,000 or $1,000,000 by average weekly transmission volume; virtual currency amount set by the Commissioner	Conn. Gen. Stat. § 36a-602
DE	Delaware	Office of the State Bank Commissioner	$25,000 base + $5,000 per add'l location; cap $250,000	5 Del. C. § 2305
DC	District of Columbia	Dept. of Insurance, Securities & Banking	$50,000 base + $10,000 per add'l location; cap $250,000	D.C. Code § 26-1006
FL	Florida	Office of Financial Regulation	Set by rule between $50,000 and $2,000,000 (financial condition, locations, volume)	Fla. Stat. § 560.209
GA	Georgia	Dept. of Banking & Finance	$250,000 minimum; Department may require additional coverage, cap $2,000,000	O.C.G.A. § 7-1-683.2 (ESB via NMLS)
HI	Hawaii	Div. of Financial Institutions	$100,000 for the first 12 months of licensure; may be increased to $500,000	Haw. Rev. Stat. ch. 489D (as modernized)
ID	Idaho	Dept. of Finance	$10,000 base + $5,000 per add'l location or authorized representative; cap $500,000	Idaho Code § 26-2910
IL	Illinois	Dept. of Financial & Professional Regulation	Greater of $100,000 or 100% of ADMTL; cap $2,000,000	MTMA: Ill. Money Transmission Modernization Act (eff. 1/1/2026; $2,000,000 cap)
IN	Indiana	Dept. of Financial Institutions	Greater of $300,000 or ADMTL for the most recent quarter; cap $500,000	MTMA: Ind. Code § 28-8-4.1 ($300,000 floor)
IA	Iowa	Division of Banking	MTMA formula: greater of $100,000 or 100% of ADMTL; cap $500,000	MTMA: Iowa Code ch. 533C
KS	Kansas	Office of the State Bank Commissioner	Greater of $200,000 or 100% of ADMTL; cap $1,000,000 ($200,000 if tangible net worth exceeds 10% of assets)	MTMA: K.S.A. ch. 9 (eff. 1/1/2025; $200,000 floor)

CODE	JURISDICTION	REGULATOR	BOND FORMULA / PENAL SUM	CITATION / NOTES
KY	Kentucky	Dept. of Financial Institutions	At least $500,000; may be increased to $5,000,000 on financial condition, net worth or volume	KRS ch. 286.11
LA	Louisiana	Office of Financial Institutions	$100,000 minimum, up to $500,000; Commissioner may require up to $1,000,000	La. R.S. tit. 6 (money transmission)
ME	Maine	Bureau of Consumer Credit Protection	$100,000 fixed surety bond	32 M.R.S. ch. 80 (Money Transmitters Act)
MD	Maryland	Office of Financial Regulation	Greater of $150,000 or 100% of ADMTL for the most recent quarter; cap $2,000,000	MTMA: Md. Code Fin. Inst. tit. 12 ($150,000 floor, $2,000,000 cap)
MA	Massachusetts	Division of Banks	MTMA formula: greater of $100,000 or 100% of ADMTL; cap $500,000	MTMA: Mass. Gen. Laws ch. 169B (eff. 1/1/2026)
MI	Michigan	Dept. of Insurance & Financial Services	$500,000 first location + $10,000 per add'l location or authorized delegate; cap $1,500,000	MCL § 487.1011 et seq.
MN	Minnesota	Dept. of Commerce	MTMA formula: greater of $100,000 or 100% of ADMTL; cap $500,000	MTMA: Minn. Stat. § 53B.60
MS	Mississippi	Dept. of Banking & Consumer Finance	MTMA formula: greater of $100,000 or 100% of ADMTL; cap $500,000; Commissioner may require up to $1,000,000	MTMA: Miss. Code (eff. 7/1/2025)
MO	Missouri	Division of Finance	MTMA formula: greater of $100,000 or 100% of ADMTL; cap $500,000	MTMA: Mo. Rev. Stat. (eff. 8/28/2024)
MT	Montana	—	Not required. Montana does not license money transmitters.	No money transmitter statute
NE	Nebraska	Dept. of Banking & Finance	MTMA formula: greater of $100,000 or 100% of ADMTL; cap $500,000	MTMA: Neb. Rev. Stat. (eff. 10/1/2025)
NV	Nevada	Div. of Financial Institutions	MTMA formula: greater of $100,000 or 100% of ADMTL; cap $500,000	MTMA: NRS ch. 671
NH	New Hampshire	Banking Department	MTMA formula: greater of $100,000 or 100% of ADMTL; cap $500,000	MTMA: N.H. Rev. Stat. ch. 399-G
NJ	New Jersey	Dept. of Banking & Insurance	Set by the Commissioner between $100,000 and $1,000,000; foreign money transmitters on a volume schedule from $25,000	N.J.S.A. § 17:15C-1 et seq.
NM	New Mexico	Regulation & Licensing Dept., Financial Inst. Div.	Greater of $300,000 or 1% of total yearly New Mexico transmission volume; cap $2,000,000	N.M. Stat. § 58-32-205
NY	New York	Dept. of Financial Services	Set by the Superintendent for each licensee; no statutory dollar amount ($500,000 or more is common; BitLicense bond separate)	N.Y. Banking Law art. 13-B; 23 NYCRR Part 200 (BitLicense)
NC	North Carolina	Office of the Commissioner of Banks	$150,000 base (NC volume to $1,000,000); stepped upward with volume to a $250,000 cap	N.C.G.S. § 53-208.47
ND	North Dakota	Dept. of Financial Institutions	MTMA formula: greater of $100,000 or 100% of ADMTL; cap $500,000	MTMA: N.D. Cent. Code (with Title XIII virtual currency)
OH	Ohio	Division of Financial Institutions	Security device of not less than $300,000, up to $2,000,000 as the Superintendent finds appropriate	Ohio Rev. Code ch. 1315
OK	Oklahoma	State Banking Department	$50,000 + $10,000 per authorized delegate location; cap $500,000	Okla. Stat. tit. 6; OAC 85:15-3-3

CODE	JURISDICTION	REGULATOR	BOND FORMULA / PENAL SUM	CITATION / NOTES
OR	Oregon	Div. of Financial Regulation	$25,000 + $5,000 per add'l location or authorized delegate (otherwise set by rule)	ORS ch. 717
PA	Pennsylvania	Dept. of Banking & Securities	$1,000,000 penal sum; additional bond may be required on average daily outstanding transmission balance	7 P.S. § 6101 et seq.
RI	Rhode Island	Dept. of Business Regulation	$50,000 (currency transmission); alternative security permitted where a bond is not commercially available	R.I. Gen. Laws § 19-14-6
SC	South Carolina	Office of the Attorney General	MTMA formula: greater of $100,000 or 100% of ADMTL; cap $500,000 ($100,000 if tangible net worth exceeds 10% of assets)	MTMA: S.C. Code (eff. 6/6/2024)
SD	South Dakota	Division of Banking	MTMA formula: greater of $100,000 or 100% of ADMTL; cap $500,000 ($100,000 if tangible net worth exceeds 10% of assets)	MTMA: S.D. Codified Laws (eff. 7/1/2024)
TN	Tennessee	Dept. of Financial Institutions	Greater of $50,000 or 100% of ADMTL for the most recent calendar quarter; cap $800,000	MTMA (modified): Tenn. Code (eff. 1/1/2024; $50,000 floor, $800,000 cap)
TX	Texas	Dept. of Banking	MTMA formula: greater of $100,000 or 100% of ADMTL; cap $500,000 ($100,000 if tangible net worth exceeds 10% of assets)	MTMA: Tex. Fin. Code ch. 152
UT	Utah	Dept. of Financial Institutions	Flat minimum surety bond of $50,000	Utah Code ch. 7-25
VT	Vermont	Dept. of Financial Regulation	Greater of $100,000 or 100% of ADMTL; cap $2,000,000	MTMA: 8 V.S.A. ch. 79 ($2,000,000 cap)
VA	Virginia	Bureau of Financial Institutions	Greater of $100,000 or 100% of ADMTL for the most recent quarter; cap $1,000,000 ($100,000 if tangible net worth exceeds 10% of assets)	MTMA: Va. Code tit. 6.2 (eff. 7/1/2026; $1,000,000 cap)
WA	Washington	Dept. of Financial Institutions	Based on prior year's transmission and payment instrument dollar volume; minimum $10,000, cap $550,000	RCW ch. 19.230
WV	West Virginia	Division of Financial Institutions	$300,000 (money transmission); $100,000 (check or money order sale, currency exchange); +1% of annual WV volume over $10,000,000; cap $1,000,000	W. Va. Code § 32A-2-5
WI	Wisconsin	Dept. of Financial Institutions	MTMA formula: greater of $100,000 or 100% of ADMTL; cap $500,000	MTMA: Wis. Stat. ch. 217 (eff. 1/1/2025)
WY	Wyoming	Division of Banking	Greater of $10,000 or 2.5 times outstanding payment instruments; cap $500,000	Wyo. Stat. § 40-22-104
PR	Puerto Rico	Office of the Commissioner of Financial Institutions (OCIF)	$500,000 for a single office, + $10,000 per add'l office or authorized agent; Commissioner may require more on volume or financial condition	Ley 145-2020 de Negocios de Servicios Monetarios
VI	U.S. Virgin Islands	Division of Banking, Insurance & Financial Regulation	$50,000 + $10,000 per location; Director may increase to $1,000,000	V.I. Code tit. 9, ch. 22 (Uniform Money Services Act)
GU	Guam	Dept. of Revenue & Taxation	$50,000	11 G.C.A. ch. 99 (Money Transmitter Act)

Figures and citations are current as of November 2026 and reflect statutory minima, maxima and formulae. The actual penal sum required for a given licensee may differ; consult the obligee and obtain a no obligation quote from Surety One, Inc. before binding coverage.

VII. UNDERWRITING SUBMISSION REQUIREMENTS

What we need from you

Surety bond application review and quoting are free of charge, with no obligation to purchase. Submission requirements scale with the size of the bond required by the obligee state.

BONDS ≤ $50,000

Streamlined submission

- Completed money transmitter surety bond application
- NMLS company ID, if applicable

BONDS > $50,000

Full submission

- Completed money transmitter surety bond application
- Applicant's current audited or reviewed financial statement
- Personal financial statement(s) of beneficial owners (on request)
- FinCEN MSB registration number
- Evidence of E&O; and fidelity coverage, if carried

The process

01. Confirm jurisdiction(s). Identify every state in which money is transmitted or payment instruments are sold. A separate bond is generally required for each licensed state.

02. Submit the application. Complete the Surety One money transmitter bond application. For bonds in excess of $50,000, include current business financials and, on request, personal financials of beneficial owners.

03. Underwriting review and quote. Surety One underwriting reviews the submission and provides a no obligation premium quote, typically within one business day.

04. Bind and issue. On acceptance, Surety One binds coverage on admitted carrier paper and issues the bond. ESB bonds are filed directly through NMLS in jurisdictions that support electronic filing.

05. Annual maintenance. Maintain the bond continuously in force, recalculate the penal sum annually under MTMA conforming statutes, and renew prior to expiration to avoid lapse of the underlying license.

VIII. ABOUT SURETY ONE, INC.

Who we are

Surety One, Inc. is a surety bond underwriter, international insurance brokerage and surety focused managing general agency licensed in all fifty United States, the District of Columbia, Puerto Rico, the U.S. Virgin Islands, Guam, Canada and the Dominican Republic. We enjoy broad binding and issuing authority through multiple admitted and non admitted carriers, and our underwriting staff is available seven days a week.

Beyond admitted paper, we maintain offshore captive capacity and a mono line facility for true financial guarantee. We specialize in commercial and contract surety, fidelity bonds and financial guarantee, including license and permit bonds across the full range of regulated financial services. We are accredited A+ by the Better Business Bureau.

Contact

Underwriting	+1 (800) 373-2804	Underwriting@SuretyOne.com
Raleigh office	+1 (919) 859-5294	5 W. Hargett Street, 4th Fl., Raleigh, NC 27601
San Juan office	+1 (787) 333-0222	404 avenida de la Constitución, 7th Fl., San Juan, PR 00901
Web	suretyone.com	Apply online: suretyone.com/apply-for-a-bond

Money Transmitter Surety Bond Requirements, a state by state report. Published by Surety One, Inc., November 2026. © 2026 Janus Assurance Re. All rights reserved. This report is intended for informational use by surety producers, money transmitter licensees and their counsel. It is not legal advice and may not be relied upon as such. Bond amounts and statutory citations were current as of the date of publication; readers should verify with the relevant regulator before acting.