



NMRLD

NEW MEXICO
REGULATION &
LICENSING DEPARTMENT

STATE OF NEW MEXICO
MICHELLE LUJAN GRISHAM, GOVERNOR
Clay Bailey, Superintendent
Mark D. Sadowski, Director

New Mexico joins \$80 million enforcement action against Block, Inc., Cash App

Action taken for Bank Secrecy Act and anti-money laundering violations

SANTA FE – The New Mexico Financial Institutions Division and 47 state financial regulatory agencies announced today they have taken coordinated action against Block, Inc. and its mobile payment service, Cash App, for violations of Bank Secrecy Act (BSA) and anti-money laundering (AML) laws that safeguard the financial system from illicit use.

More than 50 million consumers in the United States use Cash App to spend, send, store, and invest money.

In the multistate settlement signed this week, Block, Inc. agreed to pay an \$80 million penalty to the state agencies, hire an independent consultant to review the comprehensiveness and effectiveness of its BSA/AML programs, and submit a report to the states within nine months. Block, Inc. will then have 12 months to correct any deficiencies found in the review after the report is filed.

State regulators in Arkansas, California, Massachusetts, Florida, Maine, Texas, and Washington led the multistate enforcement effort. Block, Inc. cooperated with the states in the settlement.

“Today’s action against Block, Inc. demonstrates the power and effectiveness of networked state supervision in the licensing, regulation, and examination of non-bank money transmitters,” said New Mexico Financial Institutions Division Director **Mark Sadowski**. “Implementing and maintaining strong anti-money laundering programs, as required by the Bank Secrecy Act, is crucial for both banks and non-bank money transmitters. These efforts help protect consumers, thwart bad actors from committing financial crimes, and foster trust in financial services.”

Under BSA/AML rules, financial services firms are required to perform due diligence on customers, including verifying customer identities, reporting suspicious activity, and applying appropriate controls for high-risk accounts. State regulators found Block, Inc. was not in compliance with certain requirements, creating the potential that its services could be used to support money laundering, terrorism financing, or other illegal activities.



State financial regulators license and supervise more than 34,000 nonbank financial services companies through the Nationwide Multistate Licensing System (NMLS), including mortgage companies, money services businesses, consumer finance providers, and debt collectors.

Residents can visit [NMLS Consumer Access](#) to verify that a company is licensed to do business in New Mexico, and they may also view past enforcement actions.

New Mexico residents who have questions about the Block, Inc. settlement should contact:

New Mexico Financial Institutions Division

Call: 505-476-4885

Visit online: [//www.rld.nm.gov/financial-institutions](http://www.rld.nm.gov/financial-institutions).

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ABOUT NMRLD:

The New Mexico Regulation and Licensing Department regulates more than 400,000 individuals and businesses in 35 industries, professions, and trades across the state. Its goal is to assure that New Mexicans receive quality services from qualified individuals and businesses while also ensuring a fair and prompt administrative process.

