



AFC American
Fintech Council

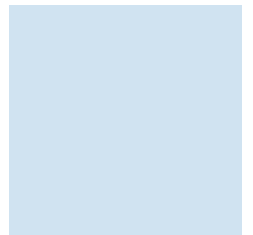
Promoting a transparent, inclusive,
and customer-centric financial system

Q2 25

Quarterly Report



[FINTECHCOUNCIL.ORG](https://fintechcouncil.org)



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A Message From Our CEO

PHIL GOLDFEDER



The second quarter of 2025 continued the strong momentum built earlier in the year, marking another period of high-impact, high-volume advocacy across both the federal and state landscapes. Amid evolving regulatory and political environments, AFC has remained a trusted and consistent voice for responsible innovation and sound policymaking in financial services. While this report captures only a small portion of our Q2 activity, it reflects the breadth and depth of our engagement on the issues that matter most to our members and the broader fintech ecosystem.

At the federal level, we worked closely with congressional offices to shape legislation, including the FAIR Exams Act — which would modernize examination and appeals for innovative community banks — as well as the bipartisan Ending Scam Credit Repair Act, and so much more. We played a significant role in the Congressional reconciliation bill related specifically to provisions on AI, remittance tax, and student lending. We tracked key developments in the Trump transition, and continued to advocate for modernizing regulatory compliance frameworks, specifically securing a major victory on Customer Identification Program (CIP) rules.

AFC led important state-level initiatives that included defeating DIDMCA opt out bills in Rhode Island and Oregon and harmful lending bills in Virginia, Hawaii and New York. We opposed California's proposed legislation on construction financing and supported 36% rate cap legislation in Alaska and Tennessee. We helped pass AFC standard EWA legislation in Louisiana and Maryland, and shaped Connecticut's EWA bill, which, although it fell short of our standards, reflects our ongoing commitment to safe and compliant nationwide EWA access.

Additionally, we continued to engage on high-priority topics including bank-fintech partnerships, the role of AI in financial services, and the future of payments, including a newly formed Digital Assets working group—bringing our members' voices to agency roundtables, the regulatory comment processes, and national media.

As the regulatory and political landscape continues to shift, we are seizing this moment to advocate for pragmatic reforms, ensure consumer protection, and promote long-term sustainability in fintech policy. There is much work ahead, but I remain confident in our ability to shape a future where innovation and responsibility go hand in hand. I look forward to continuing this work alongside our fast-growing network of members and partners.

A handwritten signature in black ink, appearing to read "Phil Goldfeder". The signature is fluid and stylized, with a long horizontal stroke at the end.

Welcoming New Members

Q2 25 Growth and Engagement

AFC NEW MEMBERS



PROUD MEMBERS OF



Second Quarter Breakdown

Q 2
2 5

MEDIA | EVENTS | EDUCATION



3

Webinars in AFC's
Future of Finance series



35

External events
attended



7

Podcasts or other
media appearances

18

External speaking
engagements



37

Press Releases



23

Mentions, quotes, or
features in various
national news publications

ADVOCACY EFFORTS



22

Standing and
ad hoc working
group meetings

7

Testimonies
before state
legislatures



19

Advocacy
letters
delivered

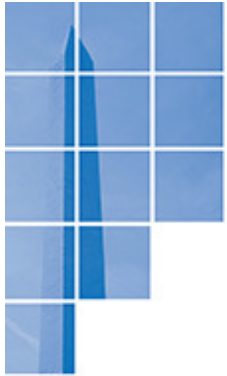


Register Today!

summit.fintechcouncil.org

Q2
25

WHERE FINTECH, POLICY, INNOVATION, AND IMPACT CONVERGE



AFC American Fintech Council

Policy Summit 2025

November 18, 2025

The Westin Washington, D.C. City Center



Media Partner

PUNCHBOWL NEWS
POWER. PEOPLE. POLITICS.



Don't miss your opportunity to submit your nominations for the 2025 Summit!

AFC American Fintech Council

Awards



AFC 2025 Policy Summit will take place on November 18 at the Westin Washington, D.C. City Center with Punchbowl News as the Media Sponsor.



Focusing on Key Priorities

AFC Working Groups' Q2 25 Efforts

FINTECH LENDING

AFC remained deeply engaged in fintech lending advocacy at both the federal and state levels in Q2. At the federal level, AFC continued to advocate for a true lender solution through direct engagement with Congress and regulators, supported by the formation of an internal working group, which was tasked with specifically developing a strategy to address the true lender issue at the federal level. In the furtherance of this strategy, AFC used Q2 to continue its strong advocacy with political and career leadership at the prudential regulators by holding multiple meetings on the true lender issue and the need for a federal fix. In addition, AFC was heavily engaged in the nomination and confirmation process for regulators, including through letters detailing our policy priorities, which specifically pressed the importance of a federal true lender solution. These efforts have continued through both subsequent letters and in-person engagement with regulatory staff and Congressional offices.

Long-standing AFC advocacy contributed to a major regulatory win in Q2: the FDIC and FinCEN approved a new exemption to the Customer Identification Program (CIP) rule, allowing banks greater flexibility in verifying customer identity without requiring direct collection of SSNs or TINs. AFC has championed this approach to the CIP rule since 2023. With this regulatory change, innovative banks and their fintech partners can streamline their operations while ensuring consumers' data remains protected.

At the state level, AFC's leadership in the Colorado DIDMCA litigation helped prompt the FDIC to rescind its previous amicus brief opposing our position. The 10th Circuit heard oral arguments in March, and a decision is pending. Additionally, AFC helped defeat key legislative threats, including DIDMCA opt-out bills in Oregon and Rhode Island, and harmful true lender proposals in Virginia and Hawaii. AFC also supported the passage of a 36% rate cap bill in Alaska and celebrated the signing of similar legislation in Tennessee. In California, AFC submitted a formal letter opposing SB 784 construction financing legislation and met with DFPI staff and nearly a dozen members of the legislature to raise concerns, in addition to retaining a lobbyist to help with our advocacy and potential amendments with the sponsor. In New York, AFC hosted a roundtable discussion with Attorney General Letitia James and members' general counsels to address fintech lending challenges in the Empire State.

AFC CONTINUED TO MAINTAIN STRONG ENGAGEMENT WITH STATE REGULATORS



In Ohio, AFC advanced a comprehensive policy package to modernize lending laws, including a proposal to raise the Ohio's interest rate cap from 25% to 36%. Discussions with the Ohio DFI and legislature are ongoing.



In Maryland, AFC worked with coalition partners to help secure passage of emergency legislation exempting passive trusts from burdensome licensing requirements.



In Iowa, AFC continues to push for fixes to the state's DIDMCA opt-out law.

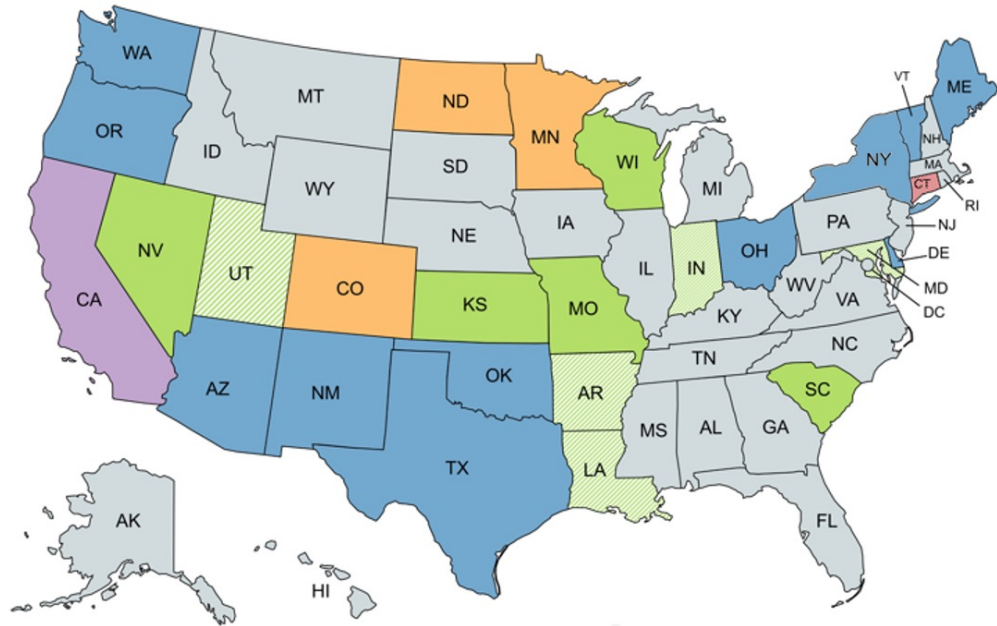


In Washington, AFC submitted formal comments on the implementation of the Predatory Loan Prevention Act, advocating for balanced consumer protections and financial inclusion.





EARNED WAGE ACCESS



- AFC Supported Bill Passed in 2023/24
- AFC Supported Bill Passed in 2025
- AFC Supported Regulation Issued in 2024
- AFC Supported Bill Considered / In Progress
- AFC Opposed Bill / Measure Defeated
- AFC Not-in-Favor / Not-Opposed Bill Passed

AFC made a major advocacy push for EWA, as many state legislatures adjourn for the year at the end of June. At the conclusion of Q2, AFC staff had testified 22 times in 17 states. AFC also sent letters in each state to further ensure our position was captured in the public record.

As a result of AFC and its member companies' efforts, three additional states enacted AFC-supported legislation: Indiana, Louisiana, and Maryland, joining the two laws passed in Q1. AFC and member companies were also heavily engaged in negotiating an EWA bill in Connecticut. While the resulting bill, which passed, allows some EWA providers to resume operations in the state, the law falls short of AFC's EWA standards. These hard-fought legislative efforts underscore AFC's continued commitment to ensuring all our EWA member companies can offer their services nationwide in a safe and compliant manner.

AFC also continued key advocacy work in states where EWA bills have already passed. In response to a hostile regulator in Wisconsin, AFC initiated a multi-pronged approach to ensure that all responsible EWA providers can obtain their licenses and remain compliant with Wisconsin law. AFC also enacted a rapid response to overreaching guidance from the Maine Superintendent of Consumer Credit that classifies EWA as consumer credit transactions. As a result of our advocacy, key government officials in both Wisconsin and Maine have committed to work with us and our members to find a viable path forward for EWA providers.

At the federal level, AFC continues to advocate for the CFPB action to create federal EWA guidance, including routine touchpoints with key stakeholders. AFC has also continued its discussions and advocacy with members of the House of Representatives on the reintroduction of Rep. Bryan Steil's (R-WI) EWA Consumer Protection Act in the current Congress. This advocacy has also included working to secure Democratic support for the legislation in the furtherance of our goals of developing bipartisan, pragmatic legislation.



INNOVATIVE BANKS AND EMBEDDED FINANCE

In Q2, AFC remained highly active in advancing a policy environment that supports responsible innovation in banking and embedded finance. On Capitol Hill, AFC continued its strong advocacy for the FAIR Exams Act, which would reform the supervisory appeals process for financial institutions. The bill advanced with bipartisan support during a House Financial Services Committee markup, alongside two other AFC-supported measures: the FIRM Act, which bars the use of reputational risk in bank supervision, and the TAILOR Act, which requires regulators to consider a financial institution's risk profile and business model.

AFC also took swift and strategic action in response to the inclusion of a harmful remittance tax provision in the federal budget reconciliation bill. The original proposed measure would have imposed a blanket tax on remittances and cross-border payments, with far-reaching implications for remittance providers, banks, and fintech companies building cross-border infrastructure. AFC raised early alarms with policymakers through targeted letters to Congressional committees of jurisdiction, collaborated with peer trade associations on a joint Senate Finance Committee letter, and successfully drew national media attention, including coverage in Politico. This rapid response highlighted AFC's leadership and effectiveness in defending innovation and financial inclusion, ultimately contributing to a sizable reduction in the remittance tax rate and an exemption for payments made with a US-issued credit/debit card or from an account at a financial institution subject to the Bank Secrecy Act.

On the regulatory side, AFC continued our active engagement with the three prudential bank regulators and the CFPB. The OCC issued Interpretive Letter 1184, clarifying that national banks and federal savings associations may engage in crypto-asset custody and execution services, including outsourcing to third parties, provided appropriate risk management is in place. AFC also launched an ad hoc working group to respond to the OCC's Request for Information on Community Bank Digitalization, which focused on how banks are adopting digital tools, including AI and third-party partnerships, resulting in the submission of AFC's comment letter on June 26.

Following extensive advocacy efforts from AFC, the FDIC held a notational vote approving a general exemption to the CIP rule. The order was approved unanimously by the FDIC Board (3-0) and signed in concurrence by FinCEN Director Andrea Gacki, making clear that FinCEN supports the exemption's underlying rationale. The exemption allows regulated banks greater flexibility in how they verify customer identities when opening new accounts, including the ability to onboard consumers without collecting full SSNs or Tax Identification Numbers (TINs) directly from consumers instead allowing other verification methods. The decision reflects the arguments AFC has long advanced, including formal recommendations to the FDIC and FinCEN dating back to April of 2023. AFC has consistently urged regulators to modernize outdated compliance frameworks and support identity verification methods that expand access without compromising security.

LOOKING AHEAD

AFC will continue its multi-agency engagement to modernize examiner tools and improve regulatory understanding of innovative banks, with a focus on the Federal Reserve, CFPB, OCC, and FDIC. On the legislative front, AFC will deepen its role as a trusted expert on bank-fintech partnerships by hosting an in-person Hill briefing, securing a new Senate co-sponsor for the FAIR Exams Act, and advocating for additional hearings in the House Financial Services Committee.



DIGITAL ASSETS WORKING GROUP

In Q2, AFC formally launched its Digital Assets Working Group and remained actively engaged as lawmakers and regulators advanced significant digital asset reforms. The focus of this new working group is to ensure that all innovative bank and fintech member companies have a level regulatory playing field with which to offer digital asset services in a safe and sound manner. AFC closely monitored and supported the rollback of restrictive crypto-related guidance by the Federal Reserve, OCC, and FDIC, marking a shift toward a more favorable regulatory environment for bank engagement in digital assets. To reinforce this progress, AFC joined a joint industry letter urging federal agencies to adopt a tech-neutral, risk-based approach and promote greater clarity and consistency across jurisdictions.

On the legislative front, AFC tracked two major stablecoin bills: the GENIUS Act, which offers more state-federal flexibility and appeals to fintech companies seeking faster market access, and the House's STABLE Act, which leans into federal authority, introducing more explicit consumer protection language and enforcement mechanisms. Ultimately, Congress passed the GENIUS Act. This represents the first major piece of digital assets legislation that has passed both houses. AFC also monitored the CLARITY Act, which would shift more crypto oversight to the CFTC by realigning the agency's regulatory responsibilities with the SEC in the crypto space. Throughout the quarter, AFC kept members informed, collaborated with peer organizations including BPI and ABA, and continued advancing its commitment to responsible innovation in digital banking and finance.



We welcome Jonathan Gould as the newest Comptroller of the Currency and look forward to our partnership and collaboration.

“The OCC is poised to support the dynamic business of banking as it continues to evolve, and to lead U.S. banking policy into the future to support a thriving national economy and the financial aspirations of all who constitute it”

**Jonathan V. Gould,
Comptroller of the Currency**



AI / ML / REG TECH

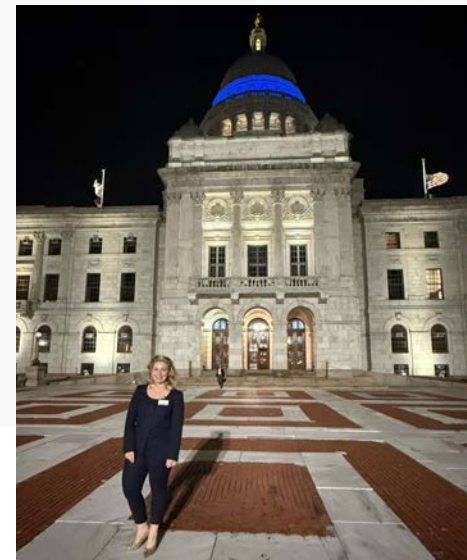
This quarter, AFC actively engaged in a range of federal and state initiatives related to AI, machine learning, and RegTech. At the federal level, as Congress debated a broad budget reconciliation package, a proposed provision aimed to block state and local AI regulations for the next decade was initially included. We opposed the measure, which faced significant hurdles in the Senate, where procedural rules and bipartisan skepticism threatened its inclusion. We are happy to report the provision was removed in a final round of negotiation.

At the state level, AI and privacy legislation continued to gain traction. In California, AB 1018, which would require bias evaluations for automated decision systems and notably lacks a GLBA exemption, progressed through the legislature. AFC submitted comments to the California Privacy Protection Agency, urging a more innovation-friendly approach in its proposed rulemaking on deletion mechanisms. Meanwhile, Massachusetts HD 4827 required organizations using algorithmic systems in critical areas like hiring and lending to conduct bias audits and ensure transparency without a broad GLBA exemption, and Michigan SB 359 established comprehensive consumer privacy rights for large businesses processing personal data in Michigan, including a GLBA-related exemption. While these bills did not pass during Q2, AFC is keeping a close eye on them for the rest of their respective state legislative sessions.



STUDENT LENDING

This quarter, AFC remained active in shaping student lending policy at both the federal and state levels. As part of the federal budget reconciliation process, AFC engaged with Congress on reforms that would sunset Graduate PLUS loans and revise Parent PLUS loan programs starting in 2026. AFC submitted a letter to the Education Committee supporting efforts to reduce student overborrowing and advocating for a sustainable, competitive student lending environment that includes responsible private sector participation, fair credit access, and regulatory clarity. Additionally, AFC penned a [letter](#) to Secretary Linda McMahon urging the U.S. Department of Education to issue formal guidance clarifying that the Stop Student Debt Relief Scams Act of 2019 (Stop Act) does not prohibit borrowers from using authorized financial tools and services. AFC's request sought to address growing uncertainty that has disrupted access to trusted services and discouraged innovation in the student loan space. At the state level, AFC continued to track and monitor proposed student lending legislation, including various student loan bill of rights proposals.





CREDIT REPORTING / DEBT SETTLEMENTS / CONSUMER COMPLAINTS

In Q2, AFC continued its advocacy for bipartisan legislation to reform the ills of the debt settlement and credit repair space by supporting H.R. 306, the Ending Scam Credit Repair Act. The bill, introduced earlier this year, continued to pick up momentum in the House of Representatives. At a House Financial Services Committee “member day” meeting in June, the bill was praised by members on both sides of the aisle. AFC has been engaged with both sponsors and numerous Committee members on the importance of passing the bill and will continue to look for opportunities to advance this legislation. Q2 also saw an increase in news coverage around BNPL and credit reporting, receiving several mentions in industry-focused publications. As our BNPL members and credit reporting members have continued to build out their systems to help improve consumers' scores and credit transparency, we have focused on engaging with the press to amplify this work.



DATA PRIVACY

In Q2, AFC remained active on federal and state data privacy issues, advocating for balanced regulations that protect consumers without hindering innovation. On the regulatory front, as the CFPB decided to change its position on the previously finalized Section 1033 open banking rule, AFC continued to strongly urge that the Bureau preserve the principles of the final rule while also pursuing revisions to it through a formal notice and comment process. AFC also remains engaged on Section 1071, having submitted a generally supportive comment in 2022 and standing ready to weigh in again if the rule is repropose. Additionally, AFC responded to the CFPB's RFI on data monetization, advocating for pragmatic data privacy standards.

At the state level, AFC continued its advocacy for pragmatic data privacy regulations and legislation. Specifically, AFC submitted comments on California's Accessible Delete Mechanism rulemaking, which proposed significant requirements for covered entities that could result in diminished services for California consumers. Our comment letter focused on how to craft data privacy regulations that appropriately balance oversight to keep consumers and their information safe without inadvertently hurting compliant innovative practices. In addition, AFC continued to monitor various data privacy bills that could impact members' operations, including California Assembly Bill 1018.



FLY-OUTS

AFC successfully led three state fly-outs this year, bringing together members and government leaders to advance responsible innovation in financial services. The first took place in Oregon, where AFC members met with elected officials to voice concerns about the consumer and community bank impact of a potential DIDMCA opt-out, and advocated for an EWA licensure bill. As a result of our advocacy, the Oregon legislature did not pass the DIDMCA opt-out bill.



Next, AFC coordinated a two-day advocacy trip in Delaware, beginning with a visit to the Center for Accelerating Financial Equity (CAFE) accelerator at the University of Delaware, where Phil addressed the founders in this year's CAFE Cohort. The next day, AFC members met with Governor Matt Meyer's Office and key legislators in Dover to discuss inclusive financial innovation and the importance of ensuring Delaware remained a fintech-friendly state. As a result of our advocacy, Senator Mantzavinos introduced legislation to establish an AFC-supported regulatory framework for EWA.

In May, AFC took on the Empire State where more than a dozen members met with lawmakers in Albany to advocate for sound Buy-Now-Pay-Later regulation, Bank-Fintech Partnerships, True Lender matters, and Earned Wage Access. This advocacy continued to cement our positive relationships with key members of the New York State legislature.



Overall, these fly-outs provided valuable opportunities for members to directly engage with policymakers and advance AFC's mission to promote a transparent, inclusive, and customer-centric financial system.

Thank you for your trust & support!



Promoting a transparent, inclusive, and customer-centric financial system

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