



August 20, 2025

California State Assembly
Committee on Appropriations
1021 O St #8220
Sacramento, CA 95814

Re: Support for Senate Bill 69

Dear Chair Wicks, Vice-Chair Sanchez, and members of the Appropriations Committee:

On behalf of The American Fintech Council (AFC),¹ I am writing to express our strong support for Senate Bill 69 (SB 69) as amended by Senator McNerney in the State Assembly on Jun 23, 2025. AFC is the premier industry association representing innovative banks and fintech companies who responsibly serve millions of Californians each year. Our mission is to promote an innovative, transparent, inclusive, and customer-centric financial system by fostering responsible innovation in financial services and encouraging sound public policy. We believe that SB 69 is a shining example of the sound public policy we work to promote.

AFC recognizes California's prominence in technological, economic, and policy conversations. As the world's fourth largest economy,² California has been a longstanding hub for high-tech innovation. Artificial Intelligence (AI), especially in its most recent applications and use cases, is the latest example of an emerging frontier in tech innovation. AI, while often referred to as a monolithic technology, is far from it. Instead, AI encompasses many different methods for more effectively leveraging data in ways that can improve efficiencies for the financial services industry and the consumers they serve. As such, it is necessary to understand the nuances associated with AI technologies and how industry participants are using these technologies.

AFC believes that it is critical that California regulators and other relevant government agencies be equipped properly to conduct appropriate oversight of this technology and its myriad use cases in financial services. Crucial to ensuring proper oversight is affording government agencies the much-needed opportunity to study and understand the actual risk profiles emerging technologies and how these technologies interact with consumers. We believe that SB 69 establishes the opportunity for the California state government gain the necessary competency on AI technologies and empower regulators to protect consumers and ensure fair competition among the many companies now leveraging AI in their products and services.

Specifically, by mandating that the California Department of Justice develops expertise in emerging AI technology, SB 69 primes the State of California to remain a leader in both

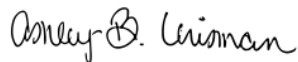
¹ American Fintech Council's (AFC) membership spans EWA providers, lenders, banks, payments providers, loan servicers, credit bureaus, and personal financial management companies.

² "California is now the 4th largest economy in the world," Governor Gavin Newsom, Apr. 23, 2025, *available at* <https://www.gov.ca.gov/2025/04/23/california-is-now-the-4th-largest-economy-in-the-world/>.

innovation and consumer protection.³ We believe it is of the utmost importance for agencies overseeing and enforcing California's laws, as they relate to a nuanced technology like AI, have a deep understanding of the technology and its applications. Requiring the California Attorney General's office to recruit or train personnel with expertise in AI and empowering those officials to collaborate with colleagues across the state government will help ensure a consistent and cohesive regulatory regime.⁴

Innovative banks and fintech companies have established an important role in serving California consumers, particularly those in historically underserved communities, with modern, digital-first services. Our members, and the broader fintech industry increasingly rely on AI to power their services. We applaud the thoughtful approach to oversight knowledge-building that SB 69 promotes, by ensuring that government officials properly understand the myriad use cases for AI and are adequately prepared to regulate and enforce California's laws in a way that ensures responsible companies can keep serving California consumers, and less scrupulous actors are kept out of California.

Sincerely,

A handwritten signature in black ink that reads "Ashley B. Urisman". The signature is written in a cursive, flowing style.

Ashley B. Urisman
Director of State Government Affairs
American Fintech Council

³ 12525.6. (a).

⁴ See, 12525.6. (a) (2) and 12525.6. (a) (4).