American Consumer Financial Innovation Network  
Charter as of September 1st, 2021

I. Purpose

The members indicated below comprise the American Consumer Financial Innovation Network (ACFIN). ACFIN members (“Members”) intend to facilitate innovation that benefits consumers through greater competition, consumer access, or financial inclusion in markets for consumer financial products and services. Members facilitate innovation within the United States through cross-jurisdictional coordination and information-sharing.

II. Background

WHEREAS innovation in markets for consumer financial products and services can benefit consumers by enhancing competition, consumer access, or financial inclusion in Member jurisdictions;

WHEREAS the multitude of overlapping State and Federal laws and regulations governing consumer financial products and services, when combined with a lack of coordination, burdens innovation in the United States;

WHEREAS coordination among State and Federal agencies can alleviate this burden, promote consistency in the regulatory treatment of consumer financial products and services, and facilitate innovation in the United States;

WHEREAS identifying and addressing outdated, unnecessary, or unduly burdensome regulations reduces regulatory burdens on innovation; and

WHEREAS information-sharing and coordination across jurisdictions can foster policies that benefit consumers by promoting innovation and informing each jurisdiction’s regulatory and enforcement activities.

III. Objectives

THEREFORE, Members seek to accomplish the following objectives:

1. Establish coordination between Members to benefit consumers by facilitating innovation that enhances competition, consumer access, or financial inclusion.
2. Minimize unnecessary regulatory burdens and bolster regulatory certainty for innovative consumer financial products and services.
3. Keep pace with the evolution of technology in markets for consumer financial products and services in order to help ensure those markets are free from fraud, discrimination, and deceptive practices.

IV. Functions

To accomplish the aforementioned objectives, Members seek to cooperate with each other through:

1. Coordinating innovation-related policies, procedures, and activities such as office hours, with the opportunity to also coordinate on no-action letters, or sandbox trials if desired.
2. Sharing information, as appropriate, related to innovation in markets for consumer financial products and services, including technical expertise, market intelligence, and best practices.

V. Membership

ACFIN is a network of Federal and State officials and regulators with authority over markets for consumer financial products and services. This network may include:

- State Attorneys General
- State Financial Regulators
- Federal Financial Regulators

Members are expected to participate, as appropriate, in the information-sharing functions described in subsection 2 of Section IV. Recognizing that different methods of facilitating innovation may be appropriate for different jurisdictions, each member is expected to coordinate in offering office hours, with the opportunity to also coordinate on no-action letters or sandbox trials if desired:

1. Office Hours Programs – Coordination through:
   a. Similar programs for engaging with market participants and providing informal regulatory feedback; and
   b. Designation of an innovation officer or other representative to attend joint ACFIN Office Hours programs and provide informal regulatory feedback on behalf of the agency.
2. No-Action Letter or similar Programs – Coordination through:
   a. Similar application and approval processes designed to prevent consumer harm and ensure appropriate due diligence;
   b. Coordinated review of No-Action Letter applications or similar programs; and
   c. Procedures for mutual recognition of No-Action Letters or similar programs.

3. Sandbox Programs – Coordination through:
   a. Similar application and approval processes designed to prevent consumer harm and ensure appropriate due diligence;
   b. Coordinated review of sandbox applications;
   c. Procedures for mutual recognition of sandbox admission;
   d. Mechanisms for monitoring consumer harm and requirements to provide consumer restitution;
   e. Methods for leveraging sandbox testing results for purposes of informing regulatory approaches; and
   f. Pathways for participants to achieve full licensure or otherwise offer products/services that test successfully more broadly.

VI. Governance

The members of ACFIN shall determine the administrative operation of ACFIN, including the establishment of coordinating co-chairs or a coordinating committee (either a “Coordinating Body”), by two-thirds vote. Any disagreements among the Coordinating Body may be settled by majority vote of Members. Any Member may request that a decision of the Coordinating Body be put to a majority vote, which will decide the issue. Members may establish by-laws, amend the terms of this Charter, or dissolve ACFIN with a two-thirds vote. Any member may withdraw from ACFIN at any time.

VII. Meetings

Members will meet at least once a year in an agreed-upon location. Members will confer via phone at least quarterly.

VIII. Preservation of State Law

None of the actions undertaken under the auspices of ACFIN will be for the purpose of preempting state law.
IX. **ACFIN members as of September 1, 2021**

Office of the Alabama Attorney General
Alaska Department of Law
Office of the Arizona Attorney General
California Department of Financial Protection and Innovation
Colorado Department of Law
Colorado Department of Regulatory Agencies
Office of the Comptroller of the Currency
Consumer Financial Protection Bureau
Florida Office of Financial Regulation
Office of the Georgia Attorney General
Georgia Department of Banking and Finance
Office of the Indiana Attorney General
Massachusetts Division of Banks
Missouri Division of Finance
North Dakota Department of Financial Institutions
Office of the Ohio Attorney General
Ohio Department of Financial Institutions
Office of the South Carolina Attorney General
Tennessee Department of Financial Institutions
Office of the Utah Attorney General
Utah Department of Financial Institutions
Washington, D.C. Division of Insurance, Securities, and Banking
Wyoming Division of Banking