



April 15, 2025

The Honorable Tom Umberg  
Chair, Senate Judiciary Committee  
1021 O Street, Room 3240  
Sacramento, CA 95814

**RE: Senate Bill 825 (Limón/Grayson) - SUPPORT, as Amended 3/24/2025**

Dear Senator Umberg,

I write on behalf of CAMEO Network, the Responsible Business Lending Coalition and Small Business Majority to express our strong support for Senate Bill 825 (Limón/Grayson). This bill clarifies that the Department of Financial Protection and Innovation (DFPI) retains the authority under the California Consumer Financial Protection Law (CCFPL) to enforce protections against deceptive or abusive practices, even for individuals or entities otherwise exempt from the CCFPL due to holding certain licenses.

CAMEO Network, the Responsible Business Lending Coalition, and Small Business Majority represent over 500 for-profit financing companies and nonprofit advocates for economic opportunity, as well as thousands of small business owners. Our organizations have worked together for years to advance responsible small business lending policy and passed the nation's first truth in small business lending law to help California entrepreneurs and communities thrive.

SB 825 is especially important for California's smallest businesses and microentrepreneurs, typically operating in communities where traditional banks and financial institutions fail to meet their needs. Many very small businesses are women- and BIPOC-owned and frequently rely on nonbank financial services to start and grow a venture. When left unregulated, these alternative providers can engage in deceptive lending or predatory practices that put entrepreneurs at risk of financial ruin. **Strengthening DFPI's enforcement authority ensures a fairer, more transparent financial marketplace. In doing so, SB 825 helps safeguard economic opportunity in under-resourced communities and supports the resilience of California's local economies.**

The federal Consumer Financial Protection Bureau (CFPB) plays a vital role in safeguarding our financial system by enforcing consumer protection laws. Its oversight and regulation help to stabilize the housing market, create a level playing field within financial markets, and return billions of dollars to consumers.

Federal threats to the CFPB leave California consumers with fewer protections against bad actors. Since AB 1864 (Limón) in 2020, the California Consumer Financial Protection Law (CCFPL) has empowered DFPI to investigate predatory businesses, registered financial service providers, and reach millions through education and outreach. Now is the time for California to strengthen its laws, hold financial institutions accountable, and Ensure robust protections and remedies for consumers and small business owners harmed by unfair, deceptive, and abusive acts.

SB 825 authorizes DFPI to directly enforce state consumer financial protection laws such as the CCFPL over entities they currently regulate, including state-chartered banks, state chartered credit unions, independent mortgage companies, nonbank lenders, and payment service providers. Currently, DFPI can enforce such laws against those entities only through federal law, which requires the DFPI to involve the CFPB in any enforcement action. Without a federal agency adequately enforcing consumer protection laws, bad actors will have increased opportunities to engage in unfair, deceptive and illegal financial acts and practices. Now more than ever, California must be able to act alone to ensure the protection of millions of consumers.

For these reasons, we respectfully ask for your support and aye vote on SB 825. Thank you for your consideration of this request.

Sincerely,

Heidi Pickman  
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CAMEO Network

Bianca Blomquist  
California Director  
Small Business Majority

Louis Caditz-Peck  
Executive Director  
Responsible Business Lending Coalition