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Contact:

Chair McHenry, Ranking Member Waters, Representatives Hill and Lynch Release Bipartisan AI Working Group Staff Report

Washington, Jul 18 -

Today, the Chairman of the House Financial Services Committee, Patrick McHenry (NC-10), and Ranking Member Maxine Waters (CA-43) released a [staff report](#) from the Committee's bipartisan [Working Group on Artificial Intelligence](#) (AI), led by Digital Assets, Financial Technology and Inclusion Subcommittee Chairman French Hill (AR-02) and Subcommittee Ranking Member Stephen F. Lynch (MA-08). This report is the culmination of six roundtables focused on identifying existing and growing AI use cases across the financial services and housing industries, including the range of benefits and potential risks the technology poses, and the hurdles to adopting the technology.

"As consumers and businesses increasingly look to leverage AI, it is critical that lawmakers and regulators keep pace," said Chairman McHenry. "This report represents a bipartisan effort to understand the benefits, and potential risks, of artificial intelligence in the financial services and housing industries. It also highlights the need for proper oversight and consumer protections that address the growing number of use cases for artificial intelligence. I am proud of the work and contributions of Members on both sides of the aisle and thank Ranking Member Waters and Congressmen Hill and Lynch for their leadership. This report lays out a blueprint for lawmakers as we navigate how to harness and oversee this evolving technology."

"In light of recent developments in Generative AI, we are witnessing the growing impact and role of AI in the financial lives of American families. This Bipartisan Working Group was created to build upon the work this Committee started under my leadership as Chairwoman in the 116th and 117th Congresses. I appreciate Chairman McHenry for taking this issue seriously and working with me to establish this Working Group. I also thank Congressmen Lynch and Hill for their leadership on this issue," said Ranking Member Waters. "The Working Group looked into the implications of this new technology and how government and industry should advance AI responsibly and equitably. While there is still so much work to do, I'm pleased that we are on the right track. As our report makes clear, this Committee will not only lead the way in overseeing AI to ensure equity, fairness, and privacy, but also get to work on crafting legislation to maximize the benefits of AI for all communities, including communities of color, while maintaining America's global leadership in AI development."

"Since the creation of our AI Working Group, our members on committee have worked diligently to explore the different applications of AI within the Housing and Financial Services sector," said Rep. Hill. "We met with industry leaders and financial regulators to unpack AI's impacts on existing laws and what gaps may exist. As the co-chair of FSC's AI Working Group, I am pleased with our progress. Our members have worked tirelessly to find common ground, and this report highlights our commitment to driving innovation, protecting privacy rights of Americans, and ensuring that the United States takes a thoughtful approach while striving to be a global leader in AI development and use."

Read the report [here](#).

Committee staff takeaways from the report:

- Given the critical role of the financial and housing markets, the Committee should play a leading role in overseeing the adoption of AI in the financial services and housing industries.

- The Committee must ensure regulators apply and enforce existing laws, including anti-discrimination laws, and assess regulatory gaps as market participants adopt AI.
- The Committee should ensure the financial regulators have the appropriate focus and tools to oversee new products and services.
- The Committee should continue to consider how to reform data privacy laws given the importance of data, especially consumer data, to AI.
- The Committee should work with financial regulators to understand AI's impact on the workforce.
- The Committee should ensure U.S. global leadership on AI development and use.

Bipartisan Working Group on Artificial Intelligence Members:

Republican Members: Chairman Patrick McHenry (NC-10), Congressman French Hill (AR-02), Congresswoman Young Kim (CA-40), Congressman Mike Flood (NE-01), Congressman Zach Nunn (IA-03), Congresswoman Erin Houchin (IN-09)

Democratic Members: Ranking Member Maxine Waters (CA-43), Congressman Stephen F. Lynch (MA-08), Congresswoman Sylvia Garcia (TX-29), Congresswoman Ayanna Pressley (MA-07), Congressman Sean Casten (IL-06), Congresswoman Brittany Pettersen (CO-07)

On Tuesday, July 23rd, the House Financial Services Committee will hold a [hearing](#) entitled "AI Innovation Explored: Insights into AI Applications in Financial Services and Housing" to further discuss the findings of the report.

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