



**OFFICE OF THE ATTORNEY GENERAL**  
STATE OF ILLINOIS

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*April 17, 2026*

*Submitted Via E-mail*

Russell Vought  
Acting Director, Consumer Financial Protection Bureau  
1700 G Street NW  
Washington, DC 20522

**Re: Comment to the Consumer Financial Protection Bureau’s Request for Public Comment on its Draft Strategic Plan for Fiscal Years 2026 Through 2030**

Dear Acting Director Vought:

In 2010, following the 2008 collapse of the United States mortgage and the loss of more than \$10 trillion in American household wealth, Congress enacted the Dodd-Frank Act,<sup>1</sup> which created the Consumer Financial Protection Bureau (CFPB) and charged it with the administration of 18 federal consumer protection laws to ensure “that markets for consumer financial products and services are fair, transparent, and competitive.”<sup>2</sup> However, over the past year the CFPB’s actions have run counter to this mission and the interests of American consumers. If finalized as written, the CFPB’s draft Strategic Plan for fiscal years 2026 through 2030 would continue this abdication of statutory duty by severely reducing staff, undermining the agency’s statutory obligation to supervise financial institutions, placing a greater burden on states to supervise entities and enforce consumer protection laws, and would result in less relief and protection for consumers.<sup>3</sup> Because the abdication of the CFPB’s statutory responsibilities is contrary to the law and will harm the undersigned states and the American public, we, the undersigned attorneys general for Illinois, Arizona, California, Colorado, Connecticut, Delaware, the District of Columbia, Hawaii, Maine, Maryland, Massachusetts, Michigan, Minnesota, Nevada, New Jersey, New Mexico, New York, North Carolina, Oregon, Vermont, Virginia, Washington, and Wisconsin urge the CFPB to address the concerns expressed in this comment when finalizing its Strategic Plan.

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<sup>1</sup> Pub. L. No. 111-203, 124 Stat. 1955 (2010).

<sup>2</sup> 12 U.S.C. § 5511(a).

<sup>3</sup> CONSUMER FINANCIAL PROTECTION BUREAU, *Consumer Financial Protection Bureau Strategic Plan FY2026 – FY2030* (Mar. 2026).

**I. The Strategic Plan’s proposal to “realign the organization” and “eliminate non-essential roles” will result in a dramatic reduction of the staff needed to perform the agency’s statutory obligations.**

A stated goal of the Strategic Plan is to “[r]ealign the organization to eliminate non-essential roles, streamline functions, and optimize resources for core mission delivery.”<sup>4</sup> This is not new. Over the past year, the CFPB has unsuccessfully attempted to eliminate nearly all CFPB staff.<sup>5</sup> Most recently, the CFPB proposed to immediately conduct a round of firings of more than half of the existing CFPB staff.<sup>6</sup> For example, under this proposal the CFPB would take a team of 72 supervision staff in the Office of Supervision Policy and Operations and reduce it to one person.<sup>7</sup> As discussed below, the CFPB’s supervisory authority is a core statutory function of the agency and cutting an essential part of the CFPB’s supervision workforce to one person will dramatically impact the agency’s ability to supervise covered entities. It would likewise cripple the CFPB’s enforcement function by reducing the number of enforcement staff from 254 in 2025 to 50, including non-attorney support staff.<sup>8</sup> And should these reductions be achieved, there is every reason to believe that the CFPB will conduct further firings. Understood in the context of the CFPB’s actions to date, the Strategic Plan’s objective to “[r]ealign the organization to eliminate non-essential roles, streamline functions, and optimize resources for core mission delivery,” is really an attempt to neuter the agency. This stated goal must not be finalized.

**II. The Strategic Plan undermines the CFPB’s statutory requirement to supervise financial institutions.**

**A. The plan’s intention of “[m]inimizing duplicative supervision” is ill-defined and may result in an increased workload for state supervision and/or a lack of supervision as opposed to streamlining it.**

The Strategic Plan’s stated goal of “[m]inimizing duplicative supervision” gives us a number of additional concerns.<sup>9</sup> The Strategic Plan does not define “duplicative supervision,” give any examples of what supervision the CFPB considers to be “duplicative,” or explain how this will be accomplished. Without clear guidelines on the types of supervision the CFPB intends to “minimize,” and how this will occur, we are concerned that the CFPB will effectively abdicate its statutorily-mandated supervisory role entirely, leaving consumers vulnerable to greater harm at a

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<sup>4</sup> *Id.* at 11.

<sup>5</sup> *See, Nat’l Treasury Emps. Union v. Vought*, 778 F. Supp. 3d 144, 150 (D.D.C. 2025).

<sup>6</sup> *Motion to Modify Stay, to Remand Record, to Hold Case in Abeyance, Nat’l Treasury Emps. Union v. Vought*, 25-5091 (D.C. Cir. Mar. 31, 2026).

<sup>7</sup> *Id.*

<sup>8</sup> *Id.*

<sup>9</sup> *CFPB Strategic Plan*, *supra* note 3 at 8.

time when 40% of U.S. adults have experienced some sort of financial fraud or scam in the past twelve months<sup>10</sup> and over six million consumers have turned to the CFPB for help.<sup>11</sup>

Supervision is one of the CFPB's core statutory functions.<sup>12</sup> It is essential for carrying out the agency's statutory purpose to "enforce Federal consumer financial law consistently for the purpose of ensuring that all consumers have access to markets for consumer financial products and services and that markets for consumer financial products and services are fair, transparent, and competitive."<sup>13</sup> Indeed, as the Strategic Plan recognizes, there are "increasingly sophisticated fraud schemes" for consumers to avoid.<sup>14</sup> This makes the CFPB's supervision even more important.

A robust supervision program also has significant benefits for financial institutions by promoting fair competition, educating industries about compliance, and providing confidential resolutions of legal violations. Consistent supervision helps to ensure that companies who comply with the law are not forced to compete with those who violate federal consumer financial laws. The CFPB also routinely published its supervisory findings, providing insight to the public (including competitors) about the conduct, how and whether it violated federal consumer financial laws, and how redress was structured. Industry participants benefit from being able to gain insight and structure their compliance program accordingly. The supervision process, including the fact that a company is subject to supervision, is also confidential and provides the supervised entity with the opportunity to resolve the matter efficiently and avoid public and potentially expensive enforcement actions. Supervision is a proactive monitoring tool and works through regularly scheduled examinations on an ongoing basis to review the policies, procedures, systems, and data of regulated entities. Through its supervisory authority, the CFPB better understands market practices, identifies problems earlier and more often, and ascertains patterns of harm or illegal practices, which it can address either through the supervisory process or through enforcement actions.

Supervision has resulted in enormous benefits by preventing or remediating harm to millions of consumers across several markets and leading to improved compliance and operations for supervised entities, including banks, thrifts, and credit unions. Consumers have received \$1.7 billion<sup>15</sup> in consumer relief as a result of the CFPB's supervision work including, for example, nearly \$250 million returned to consumers as a result of the CFPB's heightened supervisory focus on overdraft and non-sufficient funds fees<sup>16</sup> and refunds to homeowners of excessive late fees

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<sup>10</sup> GAILEY, ALEX, *Survey: Americans are Increasingly Entangled in Financial Scams; Experts Say AI is Contributing to the Problem*, BANK RATE, (Mar. 4, 2026), <https://www.bankrate.com/credit-cards/news/financial-fraud-survey> (last visited Apr. 17, 2026).

<sup>11</sup> CONSUMER FINANCIAL PROTECTION BUREAU, CONSUMER RESPONSE ANNUAL REPORT at 3 (January 1 – December 31, 2025), available at [https://files.consumerfinance.gov/f/documents/cfpb\\_2025-cr-annual-report\\_2026-03.pdf](https://files.consumerfinance.gov/f/documents/cfpb_2025-cr-annual-report_2026-03.pdf) (last visited Apr. 17, 2026).

<sup>12</sup> 12 U.S.C. § 5511(c).

<sup>13</sup> 12 U.S.C. § 5511(a).

<sup>14</sup> *CFPB Strategic Plan*, *supra* note 3 at 7.

<sup>15</sup> CONSUMER FINANCIAL PROTECTION BUREAU, *Fast Facts: CFPB by the Numbers*, <https://www.consumerfinance.gov/about-us/the-bureau/> (last visited Apr. 17, 2026).

<sup>16</sup> CONSUMER FINANCIAL PROTECTION BUREAU, SUPERVISORY HIGHLIGHTS ISSUE 37 at 5 (Winter 2024) available at [https://files.consumerfinance.gov/f/documents/cfpb\\_Supervisory-Highlights-Issue-37\\_Winter-2024.pdf](https://files.consumerfinance.gov/f/documents/cfpb_Supervisory-Highlights-Issue-37_Winter-2024.pdf).

discovered through examinations of mortgage servicers.<sup>17</sup> The CFPB's supervision of entities also results in behavioral changes. For example, auto lenders and servicers made improvements to their systems after the CFPB discovered they were reporting inaccurate information.<sup>18</sup>

The CFPB is the only federal agency with consumer protection as its exclusive mission, and it is essential that the CFPB maintains a robust supervision program to protect consumers nationwide and the financial marketplace. But as previously discussed, the CFPB's Strategic Plan does not define how the CFPB will minimize duplicative supervision nor does it clearly explain what the CFPB considers duplicative. While the CFPB shares some supervisory authority with state or prudential regulators, this overlap is not duplicative because CFPB examinations prioritize looking at consumer risks across state lines with a national scope. Accordingly, it is crucial that the CFPB not abdicate its supervisory authority and its statutory mandate to examine financial companies for compliance with federal consumer financial protection laws. Its supervision should not and cannot be delegated to state or prudential regulators.

To be sure, state regulation to protect consumers serves an important role. As state attorneys general, we support continued supervisory coordination and collaboration between federal and state regulators and agree with efforts to ensure that entities are not subject to the same inquiries from multiple regulators and to minimize regulatory burden on entities as we work together. Such coordination is explicitly required by the Dodd-Frank Act.<sup>19</sup> Indeed, it is already an established part of the CFPB's supervision of very large banks<sup>20</sup> and credit unions.<sup>21</sup> However, state supervision of financial institutions and national companies has its limits. For instance, states cannot supervise national banks.<sup>22</sup> Moreover, while certain state regulators may have supervisory authority over national companies for activity occurring within their jurisdictions, the CFPB has authority to supervise national companies on a nationwide level and therefore may supervise these companies on a much broader scale than any individual state.

Unlike the prudential regulators, whose primary focus is safety and soundness of financial institutions, the CFPB is specifically tasked with supervising companies for consumer risks and thus better positioned to supervise companies for consumer related issues. Prior to the CFPB's creation, the prudential regulators were primarily responsible for overseeing banks for compliance

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<sup>17</sup> CONSUMER FINANCIAL PROTECTION BUREAU, SUPERVISORY HIGHLIGHTS ISSUE 33 at 4 (Spring 2024) *available at* [https://files.consumerfinance.gov/f/documents/cfpb\\_supervisory-highlights\\_issue-33\\_2024-04.pdf](https://files.consumerfinance.gov/f/documents/cfpb_supervisory-highlights_issue-33_2024-04.pdf).

<sup>18</sup> CONSUMER FINANCIAL PROTECTION BUREAU, SUPERVISORY HIGHLIGHTS ISSUE 35 at 16 – 18 (Fall 2024), *available at* [https://files.consumerfinance.gov/f/documents/cfpb\\_supervisory-highlights-special-ed-auto-finance\\_2024-10.pdf](https://files.consumerfinance.gov/f/documents/cfpb_supervisory-highlights-special-ed-auto-finance_2024-10.pdf).

<sup>19</sup> 12 U.S.C. § 5515(b).

<sup>20</sup> *See generally* BD. OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM ET AL., MEMORANDUM OF UNDERSTANDING ON SUPERVISORY COORDINATION (May 16, 2012) *available at* <https://www.occ.treas.gov/news-issuances/news-releases/2012/nr-ia-2012-85a.pdf>.

<sup>21</sup> *See generally* NAT. CREDIT UNION ADMIN. & CONSUMER FINANCIAL PROTECTION BUREAU, MEMORANDUM OF UNDERSTANDING BETWEEN THE CONSUMER FINANCIAL PROTECTION BUREAU AND THE NATIONAL CREDIT UNION ADMINISTRATION REGARDING ENHANCED COOPERATION AND COORDINATION (Jan. 14, 2021) *available at* [https://files.consumerfinance.gov/f/documents/cfpb\\_ncua-memorandum-of-understanding\\_2021-01.pdf](https://files.consumerfinance.gov/f/documents/cfpb_ncua-memorandum-of-understanding_2021-01.pdf).

<sup>22</sup> 12 U.S.C. § 484.

with federal consumer financial laws. Prudential regulators often perceived consumer protection to conflict with bank safety and soundness. In the wake of the 2008 financial crisis, Congress created the CFPB recognizing the need for an effective single regulator specifically dedicated to protecting consumers from harm.

Prudential supervision, therefore, is distinct from the CFPB’s supervision, not duplicative, with the Dodd-Frank Act granting the CFPB “exclusive authority to require reports and conduct examinations” on financial institutions with over \$10 billion in assets.<sup>23</sup> Prudential regulators are unable to supervise large banks for consumer protection because Congress specifically assigned that responsibility solely to the CFPB. And as discussed, states do not have supervisory authority over national banks.<sup>24</sup> This makes the CFPB the only regulator with the authority to examine banks with more than \$10 billion in assets for consumer protection issues. Thus, a failure by the CFPB to adequately supervise these banks, which largely dominate the consumer financial market, would mean that no regulator will be protecting the millions of consumers who use these institutions. Consequently, ensuring their compliance with federal consumer financial laws is vital to protecting both individual consumers and the markets in which these entities operate.

**B. The Strategic Plan’s intention of shifting the focus of supervisory activity to depository institutions and away from non-depository institutions at a time when non-depository institutions play an increasing role in the financial market will lead to larger gaps in supervision.**

The CFPB’s intent to focus supervision on depository institutions is particularly troubling at a time when non-depository institutions are expanding their role in the financial marketplace. Between 2016 and 2022, the market share of nonbanks nearly doubled for personal loans, and more than doubled for personal lines of credit and credit cards.<sup>25</sup> Consumers are increasingly turning to nonbank entities for credit and other financial services. As nonbank entities continue to expand into offering new financial products and services to consumers, it is more critical than ever that the CFPB monitors non-depository institutions for risks to those consumers.

Additionally, the Dodd-Frank Act requires the CFPB to supervise nonbank companies.<sup>26</sup> A failure to adequately supervise nonbank entities would violate both the letter and the spirit of the law. It also contradicts the Strategic Plan’s goal to minimize duplicative supervision. Duplicative federal supervision in this instance would be exceedingly rare because the CFPB is the sole federal regulator for most non-depository entities under its supervisory authority. These include mortgage originators and servicers, payday lenders, debt collectors, fintech companies that are larger participants in the consumer financial markets, and private student lenders.

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<sup>23</sup> 12 U.S.C. § 5515 (emphasis added).

<sup>24</sup> 12 U.S.C. § 484.

<sup>25</sup> CALEM, PAUL AND ALEXANDER KIM, *The Evolving Competition from Nonbanks in Retail Banking Markets from the Perspective of the Survey of Consumer Finances*, BANK POLICY INSTITUTE at 21 (Mar. 18, 2026) available at <https://bpi.com/wp-content/uploads/2026/03/The-Evolving-Competition-from-Nonbanks-in-Retail-Banking-Markets-from-the-Perspective-of-the-Survey-of-Consumer-Finances-Paper-1.pdf>.

<sup>26</sup> 12 U.S.C. § 5514(b)(1).

Further, coordination with state and other regulators for nonbank supervision is required by law<sup>27</sup> and an established part of the CFPB's nonbank supervision process.<sup>28</sup> For example, the CFPB worked closely with the Department of Education, Federal Student Aid and state supervisors to oversee student loan transfers.<sup>29</sup> However, states and other regulators cannot fill the gap if the CFPB reduces its supervision of nonbank companies. Many nonbank entities, such as credit reporting companies, do not have any state or other federal agency with supervision authority over them. If the CFPB steps back from supervising them, there will be no regulator monitoring them. While state financial regulators regulate and license certain types of nonbank entities conducting business in their states, they do not have the same authority, scope or resources to monitor the breadth and depth of financial services providers covered under the CFPB's nonbank supervision authority.

We as state attorneys general enforce our consumer laws, but generally we do not have supervisory authority. Reducing supervision of nonbank entities for compliance with federal consumer financial laws and increasing reliance on states to monitor them (1) would leave nonbank supervision and compliance fragmented around the country, leaving consumers more vulnerable to harm and exposing them to greater risks and inconsistencies and (2) would place more burden on state attorneys general as enforcers to correct whatever wrongs that could have been fixed through supervision.

Therefore, the CFPB should prioritize and increase its share of nonbank supervisory activity, not move away from it. It is more crucial than ever that nonbank entities are supervised for their compliance with consumer financial laws at the federal level and that this supervision remains a priority of the CFPB.

### **C. De-emphasizing civil penalties takes away a key accountability measure to ensure compliance with consumer protection laws.**

Civil money penalties are an important tool of the CFPB as they directly serve a role in its enforcement capacity as discussed below. Additionally, they also serve a part of the CFPB supervisory process, which works in tandem with its enforcement function. Supervisory matters that find significant legal violations may be referred to Enforcement. In addition, if a company does not comply with a supervisory order to repair a legal violation or refund consumers, Supervision may seek enforcement of such directives by referring the matter to the CFPB's enforcement arm. Financial penalties for noncompliance play an important role in promoting compliance, deterring unlawful conduct, and providing refunds to consumers. It is crucial for the CFPB to continue supervising for compliance with consumer protection laws, and to pursue civil penalties that can act as a deterrent if companies do not comply. The availability of sanctions through public action and civil money penalties is critical to deterring entities from engaging in

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<sup>27</sup> 12 U.S.C. § 5514(b)(3).

<sup>28</sup> See generally CONSUMER FINANCIAL PROTECTION BUREAU, ET AL., 2013 CFPB-STATE SUPERVISORY COORDINATION FRAMEWORK (May 20, 2013) available at [https://files.consumerfinance.gov/f/201305\\_cfpb\\_state-supervisory-coordination-framework.pdf](https://files.consumerfinance.gov/f/201305_cfpb_state-supervisory-coordination-framework.pdf).

<sup>29</sup> CONSUMER FINANCIAL PROTECTION BUREAU, SUPERVISORY HIGHLIGHTS STUDENT LOAN SERVICING SPECIAL EDITION ISSUE 27 at 10 – 13, (Fall 2022) available at [https://files.consumerfinance.gov/f/documents/cfpb\\_student-loan-servicing-supervisory-highlights-special-edition\\_report\\_2022-09.pdf](https://files.consumerfinance.gov/f/documents/cfpb_student-loan-servicing-supervisory-highlights-special-edition_report_2022-09.pdf).

harmful and illegal conduct and encouraging them to provide redress for consumer harm found during the supervisory process.

### **III. The Strategic Plan’s goal of minimizing “duplicative enforcement” and introducing a deregulatory agenda will place more burden on states to enforce consumer protection laws by abandoning the long-standing state and CFPB partnership.**

Similar to our concerns regarding the Strategic Plan’s goal of minimizing duplicative supervision, we are also concerned with the Strategic Plan’s goal of minimizing duplicative enforcement.<sup>30</sup> The enforcement of federal consumer protection law has long been strengthened by a state-federal partnership. From its inception, the CFPB has worked with state attorneys general to police bad actors in the consumer financial product and service marketplace. For example, the CFPB, as required by 12 U.S.C. § 5493(b)(3)(A), provides additional consumer complaints to states via the CFPB’s complaint portal, shares insightful data on markets that states often cannot collect themselves, and partners with state attorneys general in enforcement actions. By working together, the CFPB and state attorneys general have ensured that covered entities follow the law and, when entities do not, that consumers are made whole. This partnership has led to joint actions brought against harmful actors resulting in millions of dollars in consumer redress.<sup>31</sup> For example, the CFPB and state attorneys general have worked together to bring actions against a mortgage lender and servicer engaged in systemic mortgage servicing misconduct including charging unauthorized fees and deceiving homeowners about foreclosure alternatives<sup>32</sup> and an operator of a private, for-profit vocational training program that hid the true nature of its loans.<sup>33</sup> Over the past year, state and federal joint actions have been minimal to non-existent, including actions in which the CFPB abandoned prior partnerships.

The CFPB’s Strategic Plan’s stated intention of “[m]inimiz[ing] duplicative enforcement, where state regulators, law enforcement authorities, or other federal regulators are currently engaged in or have concluded an investigation into the same matter”<sup>34</sup> threatens to at best significantly weaken this partnership and at worst abandon it altogether. The Strategic Plan is vague about what actions taken by a state attorney general qualifies as “currently engaged in.” This potentially very broad standard could unnecessarily preclude partnerships between the CFPB and state attorneys general leading to less consumer redress and relief. Indeed, it is incorrect to characterize actions brought

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<sup>30</sup> See *CFPB Strategic Plan*, *supra* note 3 at 9.

<sup>31</sup> See, e.g., CONSUMER FINANCIAL PROTECTION BUREAU, *Nationstar Mortgage, LLC d/b/a Mr. Cooper* (last modified Dec. 9, 2020 11:09AM), <https://www.consumerfinance.gov/enforcement/actions/nationstar-mortgage-llc-dba-mr-cooper/> (last visited Apr. 17, 2026).

<sup>32</sup> CONSUMER FINANCIAL PROTECTION BUREAU, *CFPB, Federal Partners, and State Attorneys General File Order Requiring SunTrust to Provide \$540 Million in Relief to Homeowners for Servicing Wrongs* (June 17, 2014), <https://www.consumerfinance.gov/about-us/newsroom/cfpb-federal-partners-and-state-attorneys-general-file-order-requiring-suntrust-to-provide-540-million-in-relief-to-homeowners-for-servicing-wrongs/> (last visited Apr. 17, 2026).

<sup>33</sup> CONSUMER FINANCIAL PROTECTION BUREAU, *CFPB and 11 States Order Prehired to Provide Students More than \$30 Million on Relief for Illegal Student Lending Practices* (Nov. 20, 2023), <https://www.consumerfinance.gov/about-us/newsroom/cfpb-and-11-states-order-prehired-to-provide-students-more-than-30-million-in-relief-for-illegal-student-lending-practices/> (last visited Apr. 17 2026).

<sup>34</sup> *CFPB Strategic Plan*, *supra* note 3 at 9.

by both the CFPB and state attorneys general as “duplicative.” State attorneys general have the authority to obtain damages, restitution, and other compensation on behalf of residents of their respective states. Meanwhile, when the CFPB institutes an enforcement action, including when it partners with state attorneys general, this can benefit consumers nationwide. For example, in 2017 the CFPB worked with the Federal Trade Commission, 48 states, the District of Columbia, and Puerto Rico to reach a global settlement against Equifax that benefited consumers across the country.<sup>35</sup>

If the CFPB refuses to participate in actions that state attorneys general are investigating or otherwise engaged in, it will place an additional burden on states to fill in the gaps left by the CFPB. This will also disproportionately impact states, and by extension residents of those states, with fewer resources or an inability to initiate their own action. Without the CFPB’s active enforcement of federal consumer laws, consumers will be more vulnerable to harm from bad actors who take advantage of the resulting uneven landscape and operate in places with fewer consumer protections.

The CFPB’s Strategic Plan then exacerbates the increased enforcement responsibility placed on states by introducing a deregulatory agenda that will impact our ability to efficiently enforce federal laws. The Dodd-Frank Act reinforces the role of state attorneys general with relation to federal consumer protection laws by providing authority to state attorneys general to bring civil actions under the federal statutes and regulations issued under the Act.<sup>36</sup> We rely on federal laws and interpretation of such laws to effectively police the marketplace when we enforce those statutes. In fact, the CFPB recognizes the importance in guidance documents and the role they serve in consistent enforcement. The CFPB’s website states that a type of guidance document called circulars “are intended to promote consistency in approach across the various enforcement agencies and parties, pursuant to the CFPB’s *statutory objective* to ensure federal consumer financial law is enforced consistently.”<sup>37</sup> But in 2025 alone the CFPB withdrew sixteen circulars indicating that the concerns described above are not arbitrary or unfounded. The CFPB is effectively moving the goal post on enforceability when it withdraws and guidance documents that clarify the applicability of federal law and rescinds finalized rules. A constant change in what practices may run afoul of the law will result in us needing to delay, rework, or reconsider what actions can be brought, thus wasting our resources.

The deregulatory agenda laid out in the Strategic Plan would further put the enforcement onus on state attorneys general by creating confusion for entities, particularly those that operate in multiple states or nationwide. Uncertainty in the marketplace raises the likelihood of noncompliance, increasing the burden on state attorneys general to enforce the law.

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<sup>35</sup> See, e.g., Consumer Financial Protection Bureau, *CFPB, FTC and States Announce Settlement with Equifax Over 2017 Data Breach*, (Jul. 22, 2019) <https://www.consumerfinance.gov/about-us/newsroom/cfpb-ftc-states-announce-settlement-with-equifax-over-2017-data-breach/> (last visited Apr. 17, 2026).

<sup>36</sup> 12 U.S.C. § 5552.

<sup>37</sup> CONSUMER FINANCIAL PROTECTION BUREAU, *About Consumer Financial Protection Circulars* (last modified Dec. 12, 2024), <https://www.consumerfinance.gov/compliance/circulars/about/> (last visited Apr. 17, 2026) (emphasis added); 12 U.S.C. 5511(b)(4).

**IV. The CFPB's 2025 actions, along with several of the Strategic Plan's stated goals, have resulted and will continue to result in less relief for consumers, not more.**

**A. The CFPB's actions in 2025 resulted in less relief for victims of fraud.**

In addition to our above concerns with several of the Strategic Plan's stated goals, we are concerned that the CFPB's actions over the past year do not align with several of the Strategic Plan's objectives. For example, the Strategic Plan lays out the CFPB's general goal of addressing pressing threats to consumers.<sup>38</sup> Like the CFPB, as the chief law enforcement officers in our states, it is our duty to enforce consumer protection laws to protect consumers from bad actors in the marketplace. We prioritize identifying victims harmed by unlawful conduct and providing redress for them.

However, the CFPB's actions over the past year do not support these goals. In 2025 the CFPB dismissed or withdrew 22 enforcement actions potentially resulting in a loss of over \$3.5 billion in consumer redress.<sup>39</sup> Actions dismissed by the CFPB include lawsuits against (1) Capital One Bank alleging it withheld over \$2 billion interest to its accountholders,<sup>40</sup> (2) Early Warning Services (the company that owns and operates Zelle) along with individual financial institutions alleging that a failure to take meaningful action against fraud resulted in \$870 million lost by consumers,<sup>41</sup> and (3) a payment processing services company that used unlawful tactics to generate over \$300 million in fees affecting approximately 3 million consumers.<sup>42</sup>

Through these three cases alone, the CFPB abandoned over \$3 billion dollars in harm to consumers it previously attempted to recoup on their behalf. Therefore, the agency's 2025 voluntary dismissal of numerous lawsuits directly contradicts the Strategic Plan's stated goal of pursuing correction and remediation of consumer harm.<sup>43</sup>

Moreover, in 2025 the CFPB dropped or terminated 23 consent orders or settlements, foregoing up to \$125 million in compensation to consumers already agreed upon or otherwise ordered.<sup>44</sup> One particular consent order terminated by the CFPB highlights another contradiction between the

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<sup>38</sup> *CFPB Strategic Plan*, *supra* note 3 at 7.

<sup>39</sup> Warren, E., *The Price of Gutting the CFPB*, United States Committee on Banking, Housing, & Urban Affairs at 4-6 (Feb. 9, 2026) available at [https://www.banking.senate.gov/imo/media/doc/cfpb\\_year\\_in\\_review\\_report.pdf](https://www.banking.senate.gov/imo/media/doc/cfpb_year_in_review_report.pdf).

<sup>40</sup> Complaint & Demand for Jury Trial at 3, *Consumer Fin. Prot. Bureau v. Capital One Fin. Corp.*, et al, No. 1:25 cv 00061 (E.D. Va. Jan. 14, 2025) available at [https://files.consumerfinance.gov/f/documents/cfpb\\_capital-one\\_complaint\\_2025-01.pdf](https://files.consumerfinance.gov/f/documents/cfpb_capital-one_complaint_2025-01.pdf).

<sup>41</sup> Complaint for Permanent Injunction, Monetary Judgment, Civil Penalty, Judgment and Other Relief at 3, *Consumer Fin. Prot. Bureau v. Early Warning Services, LLC*, et al., No. 2:24 cv 03652 (D. Ariz. Dec. 20, 2024) available at [https://files.consumerfinance.gov/f/documents/cfpb\\_Zelle-Complaint\\_2024-12.pdf](https://files.consumerfinance.gov/f/documents/cfpb_Zelle-Complaint_2024-12.pdf).

<sup>42</sup> Amended Complaint at 1, *Consumer Fin. Prot. Bureau v. Active Network, LLC*, No. 4:22 cv 00898 (E.D. Tex. Oct. 18, 2022) available at [https://files.consumerfinance.gov/f/documents/cfpb\\_active-network-llc\\_amended-complaint\\_2022-10.pdf](https://files.consumerfinance.gov/f/documents/cfpb_active-network-llc_amended-complaint_2022-10.pdf).

<sup>43</sup> *CFPB Strategic Plan*, *supra* note 3 at 8.

<sup>44</sup> Warren, E., *supra* note 39 at 7.

Strategic Plan’s stated goals and the actual actions the CFPB has taken. This Consent Order required Navy Federal Credit Union to deposit at least \$80,689,100 to redress harm to its customers due to illegally charging overdraft fees.<sup>45</sup> Without explanation, the CFPB terminated this consent order, waiving any alleged non-compliance.<sup>46</sup> Navy Federal Credit Union, which has 15.3 million members,<sup>47</sup> is the largest retail credit union in the United States<sup>48</sup> and caters primarily to active military members, veterans, and their families.<sup>49</sup> This withdrawal therefore runs counter to the Strategic Plan’s stated objective of “[f]ocus[ing] on protecting servicemembers, their families, and veterans, providing redress for harm.”<sup>50</sup>

Likewise, in 2025 the CFPB withdrew the Examinations for Risks to Active-Duty Servicemembers and Their Covered Dependents interpretative rule.<sup>51</sup> This interpretative rule established that the “risks to consumers” the CFPB detects and assesses in examinations pursuant to Section 1024(b)(1)(C) of the Dodd-Frank Act includes violations of the Military Lending Act.<sup>52</sup> The Military Lending Act’s purpose is to create safeguards when creditors lend to certain active-duty members of the armed forces, or their covered dependents.<sup>53</sup> Because the CFPB withdrew an interpretative rule aimed directly at using the CFPB’s supervisory powers to protect active-duty service members and their families, we continue to be concerned about the seriousness of the CFPB’s commitment to protecting members of the military and their families as stated in the Strategic Plan.

**B. The Strategic Plan’s expressed intentions to reduce the collection of civil penalties and remove “improper submissions” to the complaint system will result in less recovery for harmed consumers.**

Last, the Strategic Plan identified two actions the CFPB intends to take which will run counter to the agency’s mission of protecting consumers. First, the Strategic Plan states that the CFPB will

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<sup>45</sup> Consent Order at 1, 21, *In re Navy Federal Credit Union*, No. 2024 CFPB 0014 (CFPB Nov. 7, 2024) available at [https://files.consumerfinance.gov/f/documents/cfpb\\_navy-federal-credit-union-consent-order\\_2024-11.pdf](https://files.consumerfinance.gov/f/documents/cfpb_navy-federal-credit-union-consent-order_2024-11.pdf).

<sup>46</sup> Order Terminating the Consent Order, *In re Navy Federal Credit Union*, No. 2024 CFPB 0014 (CFPB Jul. 1, 2025) available at [https://files.consumerfinance.gov/f/documents/cfpb\\_navy-federal-credit-union\\_termination-of-consent-order\\_2025-07.pdf](https://files.consumerfinance.gov/f/documents/cfpb_navy-federal-credit-union_termination-of-consent-order_2025-07.pdf).

<sup>47</sup> NAVY FEDERAL CREDIT UNION, *Corporate Fact Sheet*, <https://www.navyfederal.org/about/corporate-fact-sheet.html> (last visited Apr. 17, 2026).

<sup>48</sup> Consent Order, *supra* note 45 at 7; see also Oliveria, S., *20 Largest Credit Unions in America*, U.S. NEWS AND WORLD REPORT (Oct. 23, 2025), <https://www.usnews.com/banking/articles/20-largest-credit-unions-in-america#:~:text=Read%20on%20to%20learn%20more.State%20Employees'%20Credit%20Union> (last visited Apr. 17, 2026).

<sup>49</sup> NAVY FEDERAL CREDIT UNION, *Become a Member*, <https://www.navyfederal.org/membership-new.html> (last visited Apr. 17, 2026).

<sup>50</sup> *CFPB Strategic Plan*, *supra* note 3 at 9.

<sup>51</sup> Interpretive Rules, Policy Statements, and Advisory Opinions; Withdrawal, 90 FR 20086 (May 12, 2025).

<sup>52</sup> Examinations for Risks to Active-Duty Servicemembers and Their Covered Dependents, 86 FR 32723-728 (June 23, 2021).

<sup>53</sup> *Id.* at 32724.

“seek to redress tangible harm by getting money back directly to consumers rather than imposing penalties to fill the Bureau’s penalty fund.”<sup>54</sup>

We have already discussed how civil penalties are an important accountability measure to ensure compliance with consumer protection laws. However, they also are used to provide direct relief to consumers, as required by the Dodd-Frank Act. As the CFPB explains on its website, the Civil Penalty Fund “is used to help compensate harmed victims who wouldn’t otherwise receive compensation from the defendant in the case.”<sup>55</sup> As of December 2025, 7.7 million people have received payments from the Civil Penalty Fund totaling approximately \$3.6 billion.<sup>56</sup> Accordingly, deemphasizing civil penalties will not help redress tangible harms because the Civil Penalty Fund *is* a way to redress tangible harm. In any event, the CFPB is more than capable of pursuing both redress for consumers and civil penalties. For example, the now withdrawn Navy Federal Credit Union Consent Order provided for a \$15 million civil penalty in addition to the \$80 million to directly redress consumers.<sup>57</sup>

Additionally, monies from the Civil Penalty Fund may be allocated to consumer education and literacy programs.<sup>58</sup> The Strategic Plan claims that one of the CFPB’s objectives is to educate and empower consumers through promoting financial literacy programs.<sup>59</sup> The CFPB’s stated intention to not pursue civil penalties runs counter to this objective because the fewer civil penalties collected the less money the CFPB will have to promote such educational programs.

Second, we are also concerned about the CFPB’s vague statement that it intends to implement new measures that identify and remove undefined “improper submissions” to the CFPB’s complaint system. The Strategic Plan provides no guidance as to what constitutes an “improper submission” or the standards that will be used to determine what qualifies as a “proper” submission. Without a clear definition and standards, there is a high risk that consumer complaints that identify harmful behavior will be deleted. Plus, consumers may become hesitant or discouraged from submitting pertinent complaints going forward, making it more difficult for the CFPB and state partners to identify bad actors and prevent further harm.

Further, federal law requires the CFPB to collect, monitor, and respond to consumer complaints.<sup>60</sup> Accordingly, these complaints fall under the Federal Records Act’s definition of “records” and therefore fall under the jurisdiction of the National Archives and Records Administration.<sup>61</sup> The

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<sup>54</sup> *Id.*

<sup>55</sup> CONSUMER FINANCIAL PROTECTION BUREAU, *Civil Penalty Fund*, <https://www.consumerfinance.gov/enforcement/payments-harmed-consumers/civil-penalty-fund/#about-the-fund> (last visited Apr. 17, 2026); 23 CFR § 1075.104.

<sup>56</sup> *Id.*

<sup>57</sup> Consent Order, *supra* note 45 at 26.

<sup>58</sup> 23 C.F.R. § 1075.107.

<sup>59</sup> *CFPB Strategic Plan*, *supra* note 3 at 9.

<sup>60</sup> 12 U.S.C. § 5493(b).

<sup>61</sup> 44 U.S.C. § 3301(a)(1)(A) (“the term ‘records’ includes all recorded information, regardless of form or characteristics, made or received by a federal agency under Federal law or in connection with the transaction of

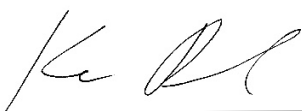
CFPB’s current record retention policy for consumer complaints requires the agency to retain them for 25 years.<sup>62</sup> Therefore, the CFPB cannot delete or otherwise dispose of complaints, “improper” or not.

This concern is not academic. Federal law allows the CFPB to, where appropriate, send consumer complaints to state agencies.<sup>63</sup> As previously discussed, consumer complaints shared by the CFPB aid our own investigations and enforcement actions. If the CFPB deletes consumer complaints it deems “improper” from the database, our own investigations and enforcement actions may be hindered because submissions that the CFPB arbitrarily deems “improper” could nonetheless be insightful into our own investigations. This would thus deprive us of potential information and witnesses that can be used against bad actors who operate in our states. Ultimately, this aspect of the Strategic Plan would hurt our abilities to obtain redress for victims within our States.

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For all the reasons above, we urge the CFPB to reconsider its Strategic Plan for fiscal year 2026 through 2030 and stress that the CFPB should not finalize an agenda that would lead to more harm and less relief for consumers.

Respectfully Submitted,



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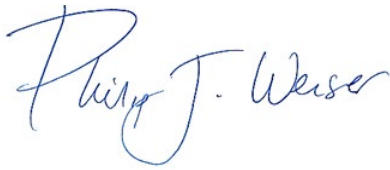
Rob Bonta  
California Attorney General

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public business and...appropriate for preservation by that agency...”); 36 C.F.R. § 1222.22(a)(“agencies must prescribe the creation and maintenance of records that document the person, places, things, or matters dealt with by the agency”); 36 C.F.R. § 1222.26.

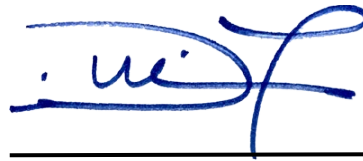
<sup>62</sup> CONSUMER FINANCIAL PROTECTION BUREAU, *Request for Disposition Authority Records Schedule Number: DAA-0587-2023-0002*, NATIONAL ARCHIVES RECORDS ADMINISTRATION (June 12, 2025) available at [https://www.archives.gov/files/records-mgmt/rcs/schedules/independent-agencies/rg-0587/daa-0587-2023-0002\\_sf115.pdf](https://www.archives.gov/files/records-mgmt/rcs/schedules/independent-agencies/rg-0587/daa-0587-2023-0002_sf115.pdf).

<sup>63</sup> 12 U.S.C. § 5493(b)(3)(B).



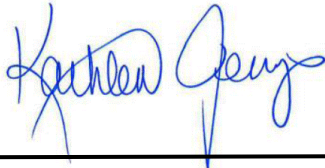
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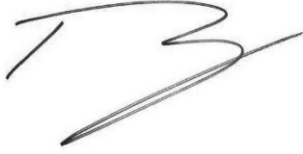
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