

CFPB Update

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The Consumer Financial Protection Bureau (CFPB) will receive a new infusion of funding which was announced by the CFPB's Acting Director, Russell Vought, who is also the Director for the Office of Management and Budget. The request for funding was required by the District of Columbia judge overseeing the lawsuit brought by the CFPB's worker's union, the National Treasury Employees Union. Accordingly, Vought has requested \$145 Million to fund the CFPB at least through March of this year.

Speaking of CFPB lawsuits, on December 22, 2025, twenty-two state Attorneys General (AGs) [joined in a lawsuit in the District of Oregon](#), against Vought, the CFPB and the Board of Governors of the Federal Reserve Bank (the Board) alleging that they have violated the Administrative Procedures Act (APA), have engaged in *Ultra Vires* action in violation of Congressional mandates and have violated the separation of powers required by the Constitution by not carrying Congressional mandates. On the APA charges, the AGs stated, "No constitutional or statutory authority authorizes the CFPB to refrain from fulfilling its statutory duties, or to violate federal law by refusing to request funding sufficient to maintain its statutory obligations, including maintenance of the Consumer Response System it is required to make available to Plaintiffs. By failing to request funding from the Board of Governors, Defendant Vought puts the operations of the CFPB as a whole at risk of imminent cessation in their entirety." The AGs seek relief such that the CFPB receive funding and commence carrying out its statutory obligations, which the AGs detailed in the complaint and include maintenance of and taking action based upon the Consumer Complaint database; collecting, analyzing and distributing data related to mortgages pursuant to the Home Mortgage Disclosure Act; and partnering with the states to address unfair, deceptive or abusive acts or practices engaged in by companies that harm consumers.

The same set of 22 states also submitted [an amicus brief](#) supporting the City of Baltimore's lawsuit against Vought, the CFPB and the Board that is pending in the District of Maryland, wherein they reiterate many of their statements in the Oregon lawsuit.

While Vought's initial request for funding, pursuant to court order, somewhat allays the concerns raised by the AGs, the CFPB must follow through and commence its statutorily-mandated activities *with* that funding. To date, it has not taken such steps.