

March 19th, 2025

Majority Leader John Thune
United States Senate SD-511
Washington, D.C. 20510

Minority Leader Charles Schumer
322 Hart Senate Office Building
Washington, D.C. 20510

Re: Industry Support for the Rapid Confirmation of a Permanent Director of the CFPB

Honorable Majority Leader Thune and Honorable Minority Leader Schumer,

As members of the Innovation Council,ⁱ representing technology-forward financial services companies who are subject to Consumer Financial Protection Bureau (“CFPB”) regulation, we write to urge a Senate floor vote on the confirmation of a permanent Director of the agency as soon as possible.

The Innovation Council includes technology-driven financial services providers, including both banks and nonbanks, as well as consumer and small business lenders, payments companies, and technology service providers. In stressing the importance of regulatory stability at the CFPB, we join with stakeholders from across the financial services industry including credit unions,ⁱⁱ community banks,ⁱⁱⁱ fintechs,^{iv} mortgage bankers,^v and small business lenders,^{vi} who have also called for regulatory stability at the CFPB for some of the same urgent reasons.

We see opportunities for a streamlined and efficient CFPB, which a permanent Director would be able to pursue. There are regulations and practices pursued under previous administrations that could be modified and improved under a permanent Director. We are also concerned that the absence of stable regulatory authority on the rules we are subject to can make it more difficult for companies to develop or invest in products or commercial strategies that can be pursued over multiple years. This uncertainty is particularly destabilizing for innovative businesses utilizing emerging technologies, including algorithmic underwriting and artificial intelligence.

An agency that is not sufficiently staffed to fulfill its Congressional mandate is detrimental, resulting in poor service to industry and unnecessary uncertainty caused by litigation. It invites an unlevel playing field where irresponsible competitors may choose not to observe the rules of the road. Regulatory stability thus requires a permanent Director to whom we can bring concerns, and who agrees to uphold the agency’s mission on behalf of American consumers, small businesses, and law-abiding financial services providers.

For these reasons, we encourage you to confirm such a Director, as nominated by President Trump, without delay. Thank you for your consideration.

Sincerely,
The Innovation Council

cc: Mark Calabria, Associate Director, Office of Management and Budget

ⁱ Members of the Innovation Council include FairPlay, Intuit, LendingClub, Oportun, PayPal, Plaid, Stratyfy, Upstart, and Varo, and are convened by NCRC.

ⁱⁱ See, e.g. America's Credit Unions, "[Potential Impacts from a Zombie CFPB](#)," accessed Feb 26th, 2025. "However, if the CFPB persists in its current state and were effectively shuttered, the immediate and long-term consequences would extend beyond regulatory uncertainty and have tangible impacts on financial institutions' day-to-day operations. While some credit unions may welcome reduced regulatory pressure, the lack of necessary regulatory updates, guidance, and oversight would create serious operational challenges..."

ⁱⁱⁱ See, e.g. American Banker, "[Community bank group opposes regulator consolidation](#)," Feb 26th, 2025. "Preserving the independence of U.S. banking regulators is fundamental to ensuring community banks can continue meeting the banking needs of local communities." See also, Independent Community Bankers of America, "[Press Release: ICBA Statement on Media Reports of CFPB Actions, Banking Agency Consolidation](#)," Feb. 12, 2025.

^{iv} See, e.g. American Fintech Council, "[American Fintech Council \(AFC\) Urges CFPB to Prioritize Responsible Innovation in Financial Services and Recommends Swift Reforms](#)," March 17th, 2025. "AFC's letter calls for a swift return to a pragmatic and balanced regulatory approach at the CFPB that fosters responsible innovation while ensuring robust consumer protection." See also, Politico, "[The End of the CFPB](#)," Feb 10, 2025. "When you tear it all down, you potentially lose what had been good regulatory policy," said Phil Goldfeder, the chief executive of the American Fintech Council.

See also, Financial Technology Association, "[FTA Files Motion to Protect Consumer Financial Data Rights](#)," Feb 12, 2025. "By moving to intervene, FTA seeks to preserve consumers' right to securely access and control their financial data in the digital age, helping ensure ongoing innovation and U.S. global competitiveness... Strong Rules of the Road Raise the Bar for Safety and Security."

See also, Innovation Council, "[NCRC, FinTech Firms Issue Statement in Support of Regulatory Stability At The Consumer Financial Protection Bureau](#)," Sept 28, 2023. "We value the CFPB's role in establishing clear 'rules of the road' that protect consumers and our businesses from a race to the bottom, providing businesses with clarity and enabling pro-consumer innovations to develop and compete fairly."

See also, Axios, "[CFPB shutdown creates a mess for fintechs](#)," Feb 11, 2025.

^v See, e.g. [Brief for the Mortgage Bankers Association, the National Association of Home Builders, and the National Association of Realtors®](#) as Amici Curiae in Support of Neither Party, Consumer Financial Protection Bureau v. Cmty. Fin. Servs. Ass'n of Am., Ltd., No. 22-448 (U.S. July 10, 2023). pgs. 3-4.

"In *Seila Law LLC v. CFPB*, this Court recognized that undoing the CFPB's actions across the board "would trigger a major regulatory disruption" and do "appreciable damage to Congress's work in the consumer-finance arena." 140 S. Ct. 2183, 2210 (2020). That warning remains true today. ...this Court should take care not to call into question current CFPB regulations, including those governing the real-estate financing industry, which could lead to immediate and intense disruption to the housing market, harming both consumers and the broader economy... When Congress passed the Dodd-Frank Act, it made the legislation's purpose crystal-clear with the first words in the statute: 'An Act [t]o promote the financial stability of the United States...'"

^{vi} See, e.g. Responsible Business Lending Coalition, "[Statement: Responsible Business Lending Coalition Highlights the Importance of Regulatory Stability at the CFPB for Prosperity on Main Street](#)," Feb 24, 2025. "As financing providers to small businesses, we seek a level playing field of fair practice. We want a market where lenders who treat customers well are not at a competitive disadvantage... Our economy is stronger and safer with a CFPB able to do its job—protecting consumers, Main Street, and financing providers that treat customers well."