

April 2, 2025

Honorable Russell Vought
Director
Office of Management and Budget
1700 G Street NW
Washington, DC 20552

Re: *Protecting Americans From Harmful Data Broker Practices (Regulation V); 89 Fed. Reg. 101402*

Dear Director Vought:

The American Financial Services Association (AFSA)¹ respectfully requests that you withdraw the proposed rule expanding the scope of the Fair Credit Reporting Act (FCRA) to cover data brokers and related activity in your capacity of Acting Director of the Consumer Financial Protection Bureau (CFPB).

The proposed rule's expansion of the definitions of "consumer report" and "consumer reporting agency" conflicts with the statutory language of FCRA and decades of well-settled case law. These proposed new interpretations exceed the statutory framework Congress created and raise significant concerns regarding legality and potential unintended consequences. Most notably, the FCRA² itself clearly outlines how and when any consumer reporting agency may furnish a consumer report. Additionally, the CFPB and the Federal Trade Commission (FTC) have published a document titled "A Summary of Your Rights Under the Fair Credit Reporting Act," which is intended to provide consumers with an understanding of their "major rights under the FCRA."³ Finally, the Federal Reserve publishes a "Consumer Compliance Handbook"⁴ which contains examination objectives, procedures, and other instructions for planning and conducting consumer compliance examinations. The proposed rule would upend these long-held interpretations in a manner that could hurt responsible Americans looking for loans.

Further, we are concerned that the cost-benefit analysis is insufficient and lacks supporting data. The CFPB asserts impacts and conclusions that are either unsubstantiated or inaccurate. In fact, the Bureau acknowledges in nearly two dozen instances that it "does not have data" or sufficient information to substantiate its policy conclusions or assess the proposal's potential impact on consumers and the financial services industry. Without a robust data foundation, this rule risks

¹ Founded in 1916, AFSA is the national trade association for the consumer credit industry, protecting access to credit and consumer choice. AFSA members provide consumers with many kinds of credit, including traditional installment loans, mortgages, direct and indirect vehicle financing, payment cards, and retail sales finance.

² Fair Credit Reporting Act, 15 U.S.C § 1681

³ A Summary of Your Rights Under the Fair Credit Reporting Act, available at https://files.consumerfinance.gov/f/201504_cfpb_summary_your-rights-under-fcra.pdf

⁴ Consumer Compliance Handbook: Division of Consumer and Community Affairs, 2017, available at <https://www.federalreserve.gov/boarddocs/supmanual/cch/200711/cch200711.pdf>.

being poorly targeted and counterproductive as well as not meeting the requirements under the Consumer Financial Protection Act and Administrative Procedure Act.

We urge you to withdraw the proposed rule as soon as possible and refrain from any rulemaking in the FCRA space, as it is already a well-defined and regulated area. Please contact me at cwinslow@afsamail.org or (202) 776-7300 with any questions or to set up a meeting.

Sincerely,



Celia Winslow

President-elect

American Financial Services Association