AMERICAN FINANCIAL SERVICES ASSOCIATION

July 14, 2026

The Honorable French Hill
Chairman
House Committee on Financial Services
Washington, DC 20515

The Honorable Maxine Waters
Ranking Member
House Committee on Financial Services
Washington, DC 20515

Dear Chairman Hill and Ranking Member Waters:

On behalf of the American Financial Services Association (AFSA)[1], thank you for introducing the CFPB Reform Act of 2026 as part of the hearing: "The Semi-Annual Report of the Bureau of Consumer Financial Protection." We support the legislation and respectfully ask that you include this letter in the committee record.

We applaud your efforts in recognizing that the Dodd-Frank Wall Street Reform and Consumer Protection Act needs serious reforms. In particular, the Consumer Financial Protection Bureau (CFPB) created in Dodd-Frank has driven up costs for consumers and created extensive burdens on financial institutions. The Trump Administration through CFPB Acting Director Russell Vought has provided temporary relief for financial institutions and for consumers from the CFPB's overreach. Now AFSA encourages Congress to pass the CFPB Reform Act of 2026 so that the temporary reforms can become permanent.

AFSA strongly supports placing the CFPB under the normal appropriations process. We also support requiring the Bureau to publish justifications of its proposed rulemakings, as well as quantitative and qualitative assessments of all anticipated direct and indirect costs and benefits.

AFSA also is in favor of the bill's provision in which Congress removes the CFPB's authority to deem a financial practice abusive for purposes of enforcement and restricts the Bureau's authority to actions that are clear violations of law. Director Vought has not engaged in these types of activities, but legislation is needed to ensure that no director oversteps the bounds of the Unfair, Deceptive, or Abusive Acts and Practices langugage and that the Bureau is unable to regulate by enforcement.

We also support the creation of a separate Office of Inspector General within the CFPB to provide increased oversight and fiscal responsibility. AFSA favors mandating the Bureau to analyze and justify the economic burdens that its regulations may impose on small businesses. Furthermore, AFSA supports the recognition of state regulators rather than the Bureau regulating

[1] Founded in 1916, the American Financial Services Association (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.

the insurance industry. Finally, AFSA is in strong favor of the bill's tightening the requirements for submitting complaints to the CFPB database.

Thank you for introducing the CFPB Reform Act and conducting this hearing. We stand ready to work with you on implementing these important reforms. If you have any questions, please contact Ann Harter at (202) 466-8606 or aharter@afsamail.org. We appreciate the opportunity to comment before this hearing.

Sincerely,

Celia Winslow

Celia Winslow
President and CEO