

United States House of Representatives
Committee on Financial Services
2129 Rayburn House Office Building
Washington, D.C. 20515

February 27, 2025

The Honorable Gene L. Dodaro
Comptroller General of the United States
Government Accountability Office
441 G Street NW
Washington, DC 20548

Mr. Mark Bialek
Inspector General
Board of Governors of the Federal Reserve System
20th Street and Constitution Avenue NW
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Mr. Dodaro and Mr. Bialek:

I write to request that your offices investigate the unlawful and unconstitutional efforts to unilaterally eliminate the Consumer Financial Protection Bureau (CFPB) by the Trump Administration, including Elon Musk, the so-called Department of Government Efficiency (DOGE), former CFPB Acting Director Scott Bessent, and current CFPB Acting Director Russell Vought.¹ I and many other Members of Congress, along with CFPB employees, consumer advocates, and others have raised a myriad of concerns with the misconduct that we are aware of, and there are multiple lawsuits by stakeholders seeking to block these shameful efforts.² A robust investigation by each of your offices would help shed light on the full extent of any misconduct by these individuals to circumnavigate the will of Congress to ensure there remains a strong Federal watchdog protecting consumers in the financial marketplace.

There have been numerous actions that warrant your scrutiny since President Trump prematurely fired CFPB former Director Rohit Chopra on February 1 and then subsequently if not unlawfully appointed Treasury Secretary Bessent and then OMB Director Vought.³ This includes, but is not limited to:

1. ***Sweeping Stop-Work Orders.*** On February 3, then Acting Director Scott Bessent launched the Administration's efforts to "delete" the CFPB by issuing an order that CFPB staff stop carrying out most work, including ordering staff to stop investigating violations of consumer financial protection laws or settling enforcement actions.⁴ After OMB Director Russell Vought replaced Bessent as CFPB Acting Director, he expanded the stop-work order to require CFPB staff "not perform any work tasks,"⁵ including examining big banks and other large financial firms for illegal activity. These sweeping stop-

¹ The Trump Administration made clear, even before taking office, that they would try to "delete" the CFPB despite the fact that to do so would require an Act of Congress. See FSC, [Don't Forget: Elon Musk's Call to "Delete CFPB" Will Hurt Working-Class Families](#) (Jan. 15, 2025).

² For example, see FSC, [Waters and Warren Lead Nearly 200 Members of Congress, Entire Senate Democratic Caucus: Remove Musk's Operatives from the CFPB and Allow it to Protect American Consumers](#) (Feb. 12, 2025); The Guardian, ['We are here to fight back': hundreds protest suspension of US financial watchdog](#) (Feb. 10, 2025); Americans for Financial Reform, [News Release: Rally With Waters, Warren to Defend CFPB](#) (Feb. 9, 2025); National Consumer Law Center, [Lawsuit Challenges Trump Administration's Illegal Effort to Shut Down CFPB](#) (Feb. 13, 2025); Public Citizen, [Materials on NTEU v. Vought](#) (accessed Feb. 18, 2025); Democracy Forward, [Breaking: In Response To Emergency Litigation, Trump Administration Agrees To Keep Hands Off CFPB Funding](#) (Feb. 13, 2025).

³ FSC, [Ranking Member Maxine Waters Blasts Trump for Firing CFPB Director and Launching Plan to Delete the CFPB](#) (Feb. 1, 2025). The National Treasury Employees Union (NTEU) and others have argued President Trump is unable to use the Federal Vacancies Reform Act (FVRA) to designate a CFPB Actor Director, as he did with OMB Director Russell Vought, since he fired former Director Chopra. FVRA requires that the prior occupant must either die, resign, or be unable to perform the functions and duties of the office. See [Memorandum in Support of Plaintiff's Motion for Limited Administrative Stay and Temporary Restraining Order](#) in the matter of *NTEU v. Vought* (Feb. 14, 2025).

⁴ Washington Post, [CFPB halts work after Trump appoints Bessent as acting head](#) (Feb. 3, 2025).

⁵ Business Insider, [The CFPB tells its workers to 'not perform any work tasks' this week while it shuts down its DC headquarters](#) (Feb. 10, 2025).

work orders are without precedent or authority, and to our knowledge still in effect weeks later. By definition they are preventing the agency from carrying out the many statutory duties Congress required of the CFPB,⁶ including supervising large banks for compliance with consumer financial protection laws⁷ and enforcing consumer financial protection laws (including working to resolve 38 pending enforcement cases which could help secure relief for millions of allegedly harmed consumers).⁸

2. **Defunding the CFPB.** On his first full day on the job, Acting Director Vought hastily requested \$0 from the Federal Reserve to fund the CFPB for the third quarter of Fiscal Year 2025, claiming that the CFPB had more than \$700 million. Concerns were raised that his request may be unlawful,⁹ and new concerns came to light that Vought may try to send any funds CFPB has either back to the Fed or to the Department of the Treasury. Stakeholders have filed multiple lawsuits seeking to block this effort to defund the CFPB,¹⁰ which runs counter to the approach former CFPB leadership took during President Trump's first term when former Acting Director Mulvaney acknowledged he was required to implement the law and request funds necessary to allow the CFPB to carry out its mission.¹¹
3. **Mass Firings.** The Trump Administration has launched multiple initiatives to drastically shrink the Federal civil workforce, including the CFPB's. There was the "Fork in the Road" emails offering deferred resignations government-wide, and it is unclear how many CFPB staff may have accepted those offers.¹² While Federal workers typically can seek relief in cases where they were improperly treated or fired from Merit Systems Protection Board (MSPB), National Labor Relations Board (NLRB), and Equal Employment Opportunity Commission (EEOC), President Trump hobbled those agencies by firing key leadership.¹³ Furthermore, there were reports that roughly 70 probationary CFPB employees (new employees subject to a two-year probationary period) and 70-100 term CFPB employees (employees with contracts between one and four years) were fired, resulting in an estimated 10% reduction in the CFPB's workforce of roughly 1,750 employees,¹⁴ though that may not include employees who agreed to a deferred resignation. Of those fired, Julia Barnard, CFPB's Student Loan Ombudsman, was terminated, which is a statutorily mandated job and the office, among other things, helped uncover evidence that led to the U.S. Department of Education cancelling \$188.8 billion of student debt for 5.3 million borrowers.¹⁵

⁶ SBPC, [Consumer Federation of America and Student Borrower Protection Center Detail 87 Congressionally Imposed Mandates Director Vought is Refusing to Perform](#) (Feb. 14, 2025).

⁷ Indeed, CFPB's Inspector General recently noted, "A key mission of the CFPB is overseeing compliance with federal consumer financial laws and regulations for depository institutions with over \$10 billion in total assets." See Fed OIG, [The CFPB Can Improve Its Process for Onboarding Depository Institutions That Transition to Its Oversight](#) (Dec. 2, 2024).

⁸ Student Borrower Protection Center (SBPC), [Trump and Vought Desert Consumers and Working Families Amid Violations by Predatory Financial Companies](#) (Feb. 20, 2025).

⁹ FSC, [Ranking Member Maxine Waters, Congressman Bill Foster Demand Answers from CFPB Acting Director Vought on Implementation of Project 2025 Plan to Illegally Defund the CFPB](#) (Feb. 12, 2025). Before these events, GAO has consistently given the CFPB a clean audit and have yet to identify any noncompliance of applicable laws, regulations, contracts, or grant agreements it tested. See GAO, [Consumer Financial Protection Bureau: Overview of Mission, Structure, and GAO Oversight](#) (Apr. 19, 2024). It is important for GAO to examine these recent actions to assess if those findings have changed.

¹⁰ See NTEU, [CFPB Shutdown Violates Separation of Powers, NTEU Says in New Lawsuit](#) (Feb. 10, 2025); NTEU, [NTEU Alleges Privacy Act Violations at CFPB](#) (Feb. 10, 2025); Public Citizen, [Materials on NTEU v. Vought](#) (accessed Feb. 18, 2025); Democracy Forward, [Breaking: In Response To Emergency Litigation, Trump Administration Agrees To Keep Hands Off CFPB Funding](#) (Feb. 13, 2025).

¹¹ FSC, [Ranking Member Maxine Waters, Congressman Bill Foster Demand Answers from CFPB Acting Director Vought on Implementation of Project 2025 Plan to Illegally Defund the CFPB](#) (Feb. 12, 2025).

¹² American Bankers, [Treasury union urges staffers to ignore Trump buyouts](#) (Jan. 29, 2025).

¹³ The Century Foundation, [Trump's Rapid-Fire Anti-Worker Actions](#) (Feb. 18, 2025); Government Executive, [Federal workers decry recent firings in Presidents' Day protest](#) (Feb. 17, 2025).

¹⁴ American Banker, [Judge agrees to immediately halt further CFPB firings](#) (Feb. 14, 2025); and Banking Dive, [Judge halts CFPB firings](#) (Feb. 18, 2025).

¹⁵ SBPC, [Trump, Vought, and Musk Team Up to Abandon Students and Borrowers, Illegally Fire Top Student Loan Industry Watchdog](#) (Feb. 14, 2025).

Moreover, there were reports that there were plans to fire more CFPB staff – potentially as many as 95% of the workforce – before a court intervened.¹⁶ It would be impossible for a small staff to implement the law and carry out CFPB’s many obligations. This work includes regulating thousands of financial firms, including megabanks, regional banks, large credit unions, credit bureaus, debt collectors, and big tech payment providers. As a point of comparison, it is worth noting that despite not being supporters of the CFPB and its mission, officials that led the CFPB during Trump’s first term maintained an average workforce size of roughly 1,481 CFPB employees between FY 2018 and FY 2020, only 3% less than the average workforce size of 1,525 between FY 2013 and FY 2017 when Richard Cordray served as CFPB’s first Director.¹⁷

4. ***Closing the Office, Cancelling Contracts, and Disabling CFPB’s Website.*** On February 9th, CFPB’s headquarters was closed, and staff were directed to work remotely despite the Trump Administration previously ordering agencies to end remote work and have Federal employees work in person.¹⁸ There were reports that Acting Director Vought was canceling all of CFPB’s building leases, including its headquarters in Washington, D.C.,¹⁹ though it is unclear if CFPB would have to pay any penalties for any leases it prematurely cancels. CFPB’s X account was cancelled and its website was altered to imply it no longer functioned, with a misleading “404: Page Not Found” error page on the main website, though other aspects of the website continued to function. Moreover, Acting Director Vought cancelled more than \$100 million in contracts, including contracts with expert witnesses that CFPB enforcement staff had lined up to support pending enforcement cases being litigated in court. While expert witnesses are not used in all cases, they can be key to bolstering CFPB’s case to secure consumer relief.²⁰ According to CFPB’s website, there are currently 37 pending enforcement cases.²¹ Taken together, these actions undoubtedly undermine CFPB’s enforcement work and ability to carry out other statutory obligations.
5. ***DOGE Access to Sensitive Data.*** Another troubling development has been the apparently rapid access that was granted to DOGE by the CFPB Acting Directors to potentially vast amounts of personally identifiable information (PII) – including CFPB employees and millions of consumers submitting complaints in search of relief – and confidential supervisory information (CSI) relating to thousands of financial firms, including payment firms. Elon Musk reportedly plans to expand X (formerly known as Twitter) into a payments app, making the firm a direct competitor with these financial firms that CFPB supervises and regulates. It is unclear if these DOGE-affiliated individuals have received the typical training to handle this kind of sensitive data, whether they are performing the statutorily required audits when using Active Directory access to CFPB systems, and if any of the data they obtained has been shared with Elon Musk or others for the benefit of companies providing or soon to be providing consumer financial products or services.
6. ***Undermining Diversity, Equity, Inclusion, and Accessibility (DEIA) Mandates.*** Concerns have been raised that Acting Director Russell Vought may be unlawfully advancing the Trump Administration’s efforts to dismantle all Diversity, Equity, Inclusion, and Accessibility (DEIA) and environmental justice offices, along with their personnel, as well as terminate equity-focused federal grants and contracts.²² There are a number of statutory obligations that the CFPB has to advance DEIA principles, including

¹⁶ See [Memorandum in Support of Plaintiff’s Motion for Limited Administrative Stay and Temporary Restraining Order](#) and [Court Order](#) in the matter of *NTEU v. Vought* (Feb. 14, 2025).

¹⁷ CRS, [The Consumer Financial Protection Bureau Budget: Background, Trends, and Policy Options](#) (Feb. 4, 2025).

¹⁸ See Wall Street Journal, [CFPB to Close Office After Vought Tells Staff to Halt All Supervision](#) (Feb. 9, 2025); and Government Executive, [Despite forcing more federal employees to work in-person, the Trump administration is trying to slash government office space](#) (Feb. 18, 2025).

¹⁹ Banking Dive, [CFPB union warns of ‘mass’ layoff to affect 95% of the bureau](#) (Feb. 14, 2025).

²⁰ Bloomberg Law, [CFPB Nixes All Expert Witness Contracts in Enforcement Halt](#) (Feb. 13, 2025).

²¹ CFPB, [Enforcement actions \(Filtered by “Pending Litigation” Status\)](#) (accessed Feb. 18, 2025).

operating an Office of Minority and Women Inclusion (OMWI) required by Section 342 of the Dodd-Frank Act, and enforcing laws like the Equal Credit Opportunity Act (ECOA), and any effort to unlawfully undermine these duties should be closely reviewed.

These efforts to “delete” the CFPB will likely serve to increase fraud and abuse perpetrated by entities the CFPB is supposed to regulate. Moreover, the extraordinary access to sensitive data that DOGE employees have been granted access to is highly concerning, especially given how that data might benefit the richest person on the planet to the detriment of community banks, credit unions, and fintech start-ups. I urge both of your offices to promptly investigate these developments, report your findings to my office, and share any recommendations you may have to ensure the Consumer Financial Protection Bureau is fulfilling its statutory duties and mission.

Sincerely,



Maxine Waters
Ranking Member
Committee on Financial Services



Al Green
Ranking Member
Subcommittee on Oversight and Investigations
Committee on Financial Services



Bill Foster
Ranking Member
Subcommittee on Financial Institutions
Committee on Financial Services

CC: The Honorable French Hill, Chairman, Committee on Financial Services

²² FSC, [Ranking Member Maxine Waters Leads Key House Members in Questioning Acting Director Vought’s Compliance with Trump’s Illegal Anti-DEJA Orders](#) (Feb. 14, 2025).