

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

March 19, 2025

The Honorable Russell Vought  
Acting Director  
Consumer Financial Protection Bureau  
1700 G St NW  
Washington, DC 20552

Acting Director Vought:

I write to express my profound concern regarding your March 12<sup>th</sup> directive instructing Consumer Financial Protection Bureau (CFPB) personnel to cease all work related to diversity, equity, and inclusion (DEI). Your directive not only undermines statutory obligations but also directly conflicts with the foundational principles of fairness and non-discrimination established in federal law.

Your directive to cease the gathering, analysis, and publication of DEI-related data directly violates multiple federal statutes and finalized regulations, including Section 1071 of the Dodd-Frank Wall Street Reform and Consumer Protection Act (Dodd-Frank), the Home Mortgage Disclosure Act (HMDA), and Section 308 of the Financial Institutions Reform, Recovery, and Enforcement Act (FIRREA).

Section 1071 of the Dodd-Frank Act amended the Equal Credit Opportunity Act (ECOA) and requires financial institutions to collect and report data on credit applications from small businesses, including those owned by women and minorities.<sup>1</sup> The regulation implementing this provision, which is currently scheduled to begin to go into effect on July 18, 2025 for certain institutions,<sup>2</sup> ensures transparency in lending practices and helps identify potential discriminatory lending patterns. Your directive to cease DEI-related data collection undermines this statutory requirement and obstructs CFPB's ability to enforce ECOA and other laws.

The Home Mortgage Disclosure Act (HMDA) mandates financial institutions to collect and disclose data about mortgage lending practices, including information on borrower demographics, to detect and prevent discriminatory lending.<sup>3</sup> By halting DEI-related data collection and reporting, your directive directly conflicts with HMDA's transparency objectives and inhibits efforts to combat redlining and other discriminatory practices in housing finance.

Section 308 of FIRREA requires federal agencies to promote the inclusion and utilization of Minority Depository Institutions (MDIs) in federally regulated financial institutions.<sup>4</sup> Eliminating DEI-related data gathering prevents oversight bodies from assessing compliance with this mandate, ultimately hindering efforts to preserve and strengthen MDIs.

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<sup>1</sup> 15 U.S.C. § 1691c-2

<sup>2</sup> See CFPB, [Small business lending rulemaking](#) (accessed Mar. 12, 2025). Covered institutions who were not plaintiffs or intervenors in a case before the Fifth Circuit Court of Appeals would have to comply. See Husch Blackwell, [Fifth Circuit Stays 1071 Rule: A Victory, but Not for Everyone](#) (Feb. 7, 2025).

<sup>3</sup> 12 U.S.C. §§ 2801-2810

<sup>4</sup> Pub. L. No. 101-73, § 308 (1989).

The No FEAR Act requires federal agencies to submit annual reports on EEO activities to Congress, the Attorney General, and the Equal Employment Opportunity Commission (EEOC).<sup>5</sup> This reporting must include disaggregated data by race and gender and be publicly posted on each agency's website. Your directive obstructs this legally required reporting process, preventing transparency and accountability in federal agencies' compliance with anti-discrimination laws, and raises significant compliance concerns.

Additionally, your requirement for CFPB personnel to halt the implementation of the CFPB DEI Strategic Plan (2022-2026) stands in direct violation of Section 342 of the Dodd-Frank Act, which explicitly mandates the Office of Minority and Women Inclusion to ensure the fair inclusion and utilization of minority- and women-owned businesses and to assess workforce diversity practices.<sup>6</sup> Additionally, Section 342 requires federal agencies to engage in outreach efforts, including advertising and recruitment at Historically Black Colleges and Universities (HBCUs) and other minority-serving institutions, to promote employment and business opportunities.<sup>7</sup> Your order to cease "any evaluation, assessment, or study practices" related to DEIA and to eliminate DEIA pages, messaging, events, training, and resources constitutes a willful disregard of these legal requirements.

Your directive to disband all employee affinity groups and cease work on Federal Employee Resource Groups raises substantial legal liability under federal labor law. As stated in my letter to you on February 12, the Collective Bargaining Agreement (CBA) with the National Treasury Employees Union explicitly requires CFPB to maintain a workplace free from discrimination while upholding inclusion and respect.<sup>8</sup> Any modification to policies affecting bargaining unit employees, including changes to Equal Employment Opportunity programming, employee training, and ERGs, must comply with collective bargaining obligations under the Federal Service Labor Management Relations Statute.<sup>9</sup> The CBA categorically states that, in cases of conflict between this Agreement and any new government wide or employer regulation, the terms of the Agreement shall govern unless stated otherwise. The current CBA remains in effect through 2028, and CFPB has not sought mutual agreement to alter its provisions, rendering your directive legally unenforceable.

Your instruction to remove posters from a CFPB office building after working to end its lease is both unnecessary and trivial, suggesting a concerning fixation on symbolic and performative--rather than substantive--governance. More troubling is your closing statement that "any employee who attempts to continue race based and other DEIA based activities at the CFPB may be referred to for investigation for violation of civil rights laws." This constitutes an unmistakable attempt to intimidate employees and deter them from engaging in lawful and congressionally mandated activities. In fact, your directives themselves encroach on civil rights protections and contribute to a hostile and divisive work environment that could expose the Bureau to substantial legal liability.

I demand that you provide immediate clarification to Congress and to CFPB personnel regarding the following:

1. Confirmation that the March 12 directive does not and cannot apply to statutorily mandated DEI related activities as required by federal law, and that you will immediately rescind any portions of the directive that conflict with federal law.

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<sup>5</sup> Pub. L. No. 107-174 (2002).

<sup>6</sup> Consumer Financial Protection Bureau, *Diversity, Equity, Inclusion, and Accessibility (DEIA) Strategic Plan FY 2022-2026* (May 2022).

<sup>7</sup> 12 U.S.C. § 5452

<sup>8</sup> Consumer Financial Protection Bureau and National Treasury Employees Union. *Collective Bargaining Agreement* (Article 6, Section 1.A).

<sup>9</sup> 5 U.S.C § 7102

2. Clear guidance to CFPB staff on how they should reconcile these directives with existing legal obligations under the Dodd Frank Act, FIRREA, HMDA, the No FEAR Act, and collective bargaining agreements.
3. Legal justification for threatening employees with civil rights investigations for complying with congressionally mandated DEI work.

In closing, I am extremely disappointed in your failure to respond to my letters as the CFPB Acting Director to date. I expect a prompt and comprehensive response to those letters and these new questions within five business days. The CFPB has a legal duty to uphold nondiscriminatory practices and fulfill its statutory mandates, and any effort to undermine these obligations will not go unchallenged. Be advised that continued pursuit of this legally dubious directive may necessitate congressional oversight action.

Sincerely,

A handwritten signature in blue ink that reads "Maxine Waters". The signature is written in a cursive, flowing style.

Representative Maxine Waters  
Ranking Member