

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

September 30, 2025

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

Dear Acting Director Vought:

I write to you with concern, as President Trump seems determined to shut down the Federal government, regarding reports that you might be considering furloughing employees at the Consumer Financial Protection Bureau (CFPB) in the event of a government shutdown on October 1, 2025. Such an action would be both legally baseless and extremely harmful to American consumers at a time when they are suffering from the Trump Administration's harmful economic policies that are increasing inflation and unemployment.

As you are well aware, the CFPB's independent funding structure, as affirmed by the U.S. Supreme Court, insulates the Bureau from the annual appropriations process and any related government shutdowns.<sup>1</sup> In fact, the CFPB has continued its operations through multiple shutdowns, including the record long shutdown during President Trump's first term.<sup>2</sup> This is precisely because the Bureau's funding does not depend on the annual appropriations process, and instead receives its funding from the Federal Reserve.<sup>3</sup> A shutdown does not apply to the CFPB.

Meanwhile, you have reportedly instructed staff to resubmit their resumes by September 25 to inform your decisions on who to let go,<sup>4</sup> conveniently just a few days prior to a potential shutdown and while litigation continues in response to your illegal attempt to fire most of the staff earlier this year. You are ostensibly making this move in response to the massive reduction in the Bureau's funding cap imposed by Republicans in the budget reconciliation process.<sup>5</sup> Yet, beginning October 1, you will have access to new transfers from the Federal Reserve as the

---

<sup>1</sup> *Consumer Financial Protection Bureau v. Community Financial Services Association of America, Ltd.*, 601 U.S. 416 (2024)

<sup>2</sup> Colombia Law School, "[Fried Frank on How the Government Shutdown Affects M&A, the SEC, and Litigation](#)," (Jan. 2019).

<sup>3</sup> Congressional Research Service, "[Shutdown of the Federal Government: Causes, Processes, and Effects](#)," (Dec. 2018).

<sup>4</sup> American Banker, "[CFPB warns staff of upcoming layoffs due to GOP funding cuts](#)" (Sep. 11, 2025).

<sup>5</sup> FY25 Budget Reconciliation Act, Pub. L. 118 (2025).

FY26 fiscal year begins, and those funds will be unaffected by any shutdown that President Trump causes.<sup>6</sup>

Using a government shutdown as a pretext to furlough staff would not only violate the CFPB's statutory mandate but would cause direct harm to American consumers. With fewer staff available to investigate violations of consumer financial protection laws, pursue enforcement actions, and stop predatory practices, bad actors in the financial sector will continue to operate unchecked.

Instead of vilifying individuals, who have dedicated themselves to serving the public, with repeated threats of mass layoffs, we urge you to stop these unlawful tactics and support the public servants at the CFPB. We also encourage you to work with Congress to reverse the unjustified and ruthless CFPB budget cuts that only leave consumers exposed to financial fraud and predatory rip offs inflicted by unsupervised bad actors.

Sincerely,



MAXINE WATERS  
Ranking Member  
Committee on Financial Services

---

<sup>6</sup> 12 U.S.C. § 5497(a)(1)