

## CFS Bites of the Month - 2025 Annual Review - Business to Business

January 22, 2026 | [Eric L. Johnson](#), [Justin B. Hosie](#) and [Kristen Yarows](#)

In this article, we share a timeline of monthly "bites" for 2025 applicable to business transactions.

### CFPB Director Chopra Fired

On February 1, 2025, President Trump fired CFPB Director, Rohit Chopra. The outgoing Director posted a goodbye letter on social media thanking President Biden for the nomination and the Senate for confirming him. He also touted the work the CFPB has done since 2021. On Monday, February 3, 2025, President Trump appointed Treasury Secretary Scott Bessent to serve as the Acting Director. That day Acting Director Bessent reportedly ordered the CFPB to stop rulemaking, communications, litigation, and other activities. He reportedly directed the CFPB: (1) Not to approve or issue any proposed or final rules or formal or informal guidance; (2) To suspend the effective dates of all final rules that have been issued or published but that have not yet become effective; (3) Not to commence, take additional investigative activities related to, or settle enforcement actions; (4) Not to issue public communications of any type, including publication of research papers; (5) Not to approve or execute any material agreements, including related to employee matters or contractors; and (6) Not to make or approve filings or appearances by the CFPB in any litigation, other than to seek a pause in proceedings.

### CFPB Dismisses Numerous Lawsuits

Since the change in administration, the CFPB has dismissed numerous lawsuits that were filed under the Biden administration. From February into early March, the CFPB quickly filed dismissals in seven lawsuits, including a lawsuit against a large national bank, a student loan servicer, two mortgage lenders, a peer-to-peer lender, and an installment lender. Throughout the year, the CFPB continued to withdraw from several other lawsuits, including litigation against a lease-to-own company, a money transfer company, and an indirect auto company. It is estimated that the CFPB has dropped at least twenty-two cases throughout the year. Some of the litigation that the CFPB has dropped has been revived by state attorneys general.

### CFPB Withdraws Sixty-Seven Guidance Documents

On April 11, 2025, CFPB Acting Director Vought wrote a memo that directed CFPB staff to cease issuing guidance documents and to review past guidance documents and flag only those that conform to his principles set forth in the memo. He instructed that any guidance that hadn't been flagged for retention would be reviewed and rescinded. On May 9, 2025, the CFPB published its withdrawal of sixty-seven guidance documents in the Federal Register. Those guidance documents date way back to 2011, when

the CFPB was in its infancy. This included: (a) eight Policy Statements such as the 2023 Statement of Policy regarding Abusive Acts or Practices and others; (b) seven Interpretive Rules such as the 2024 Truth in Lending Buy Now Pay Later Interpretation, the 2022 Authority of States to Enforce the CFPA Interpretation, 2021 Equal Credit Opportunity Act Interpretation on Discrimination on the Bases of Sexual Orientation and Gender Identity, and others; (c) thirteen Advisory Opinions including a couple on earned wage access, one on collection of medical debt, one on pay-to-pay fees, one on background screening, one on private education loans, and others; and (d) thirty-nine other guidance documents addressing everything from whistleblower protections, unenforceable contract terms and conditions, steering by digital intermediaries, proper use of adverse action model forms, negative option marketing, and others. The CFPB statement withdrawing the sixty-seven guidance documents indicated that the CFPB was withdrawing all guidance documents to afford staff an opportunity to review and consider (1) "whether the guidance is statutorily prescribed," (2) whether the interpretation "is consistent with the relevant statute or regulation," and (3) whether it "imposes or decreases compliance burdens."

### **CFPB Terminates Several Consent Orders Early**

In May 2025, the CFPB started its practice of terminating consent orders early by terminating four consent orders. In May, the CFPB also amended a consent order with an international money remittance company, reducing its \$2.02 million fine to just \$45,000. Throughout the year, the CFPB continued to terminate consent orders early by terminating fourteen other consent orders. With two exceptions for consent orders with a mortgage servicer over RESPA violations and a bank over HMDA data, the rest of the terminated consent orders were entered into during the last administration. The CFPB terminated the consent orders pursuant to its authority under 12 U.S.C. § 5563(b)(3), typically when the entity had fulfilled most or all of its obligations under the consent order. The consent orders typically have ongoing recordkeeping requirements that were terminated early.

### **CFPB Delays Small Business Lending Rule Compliance**

On June 18, 2025, the CFPB announced that it was delaying compliance for the Small Business Lending Rule for about one year. Back in April 2025, the CFPB announced that it would not prioritize enforcement or supervision related to the rule forecasting possibly rewriting the requirements. This interim final rule provided that the compliance dates were being delayed in light of court orders in ongoing litigation. The interim final rule included a table on compliance dates with the highest volume lenders moving to a new compliance date of July 1, 2026, moderate volume lenders moving to January 1, 2027, and the smallest volume lenders moving to October 1, 2027.

### **CFPB Sued over Dismantling Section 1071 Rule**

On July 23, 2025, media outlets reported that a group of consumer-aligned advocacy groups sued the CFPB, alleging that it illegally dismantled its data-collection rule. The lawsuit claims that the CFPB and acting director Vought of "unlawfully withholding and unreasonably delaying" implementation of the Section 1071 rule. The rule was finalized under the Biden Administration and became the target of multiple industry lawsuits. The lawsuits argued that the amount of data required from lenders is too burdensome. The new lawsuit criticized the CFPB's compliance date postponement for being adopted without notice and comment. The lawsuit asked for a court decision that would vacate the recent postponement and require the agency to begin collecting data from lenders.

### **CFPB Finalizes Deadline Extensions for 1071 Rule**

On October 2, 2025, the CFPB finalized its deadline extension for the 1071 Rule, with the first new compliance date set for July 1, 2026 for "Tier 1 lenders." The 1071 Rule will require the collection and reporting of demographic information on small business lending applications, to help identify potential discrimination as mandated by the Dodd-Frank Act. The rule is currently being litigated with financial institutions claiming the rule requires excessive data collection, that the rulemaking involved arbitrary and capricious cost-benefit analysis by the CFPB, and that the CFPB was unconstitutionally funded. Consumer groups are also challenging recent CFPB delays.

### **FTC Takes Action Against Business Credit Report Service Provider**

On September 29, 2025, the FTC settled a case with a business credit report service provider over allegations that the company violated a 2022 FTC order. The 2022 order alleged that the company engaged in unfair and deceptive practices by providing inaccurate information to its subscribers about its products and misrepresenting that fee-based products would improve their credit scores. The proposed complaint alleges that the company failed to accurately disclose their product's price list price before automatically renewing, failed to prevent misrepresentations; and failed to retain recorded sales calls. The proposed order requires the company to pay a total of \$5.7 million, including \$3.7 million in consumer redress and over \$2 million in civil penalties. The proposed order also requires the company to modify the 2022 order to address the FTC's new allegations, including using a third-party quality assurance provider, maintaining a comprehensive compliance program, submitting annual certifications, and notifying the FTC of any noncompliance. The Director of the FTC's Bureau of Consumer Protection, Christopher Mufarrige, said the enforcement action is another example of the agency's "effort to reinvigorate its fraud program."

### **CFPB Notifies Court it Cannot Access Funds from the Fed**

On November 10, 2025, the Department of Justice filed a notice of potential lapse in appropriations to pay the expenses of the CFPB in the National Treasury Employee Union litigation. The DOJ's Office of Legal Counsel wrote a memorandum addressed to Acting Director Vought regarding whether the CFPB can continue to draw funds from the Federal Reserve system under 12 U.S.C. § 5497 when the Federal Reserve is operating at a loss. According to the memo, the Federal Reserve began operating in late 1914 and was profitable in every subsequent year until 2022, after which its costs have exceeded its revenue. The DOJ Office of Legal Counsel concluded that it was legally prohibited from drawing cash from the Federal Reserve to support the CFPB's operations when the Federal Reserve is operating at a loss. The CFPB anticipates having sufficient funds to continue operations until at least December 31, 2025. The CFPB notified the court that in light of the Office of Legal Counsel opinion, the Acting Director of the CFPB anticipates preparing a report to the President and to congressional appropriations committees, as statutorily required, identifying the CFPB's funding needs.

### **CFPB Issues Proposed Rule Regarding 1071 Rule**

On November 13, 2025, the CFPB published a proposed rule to revise certain provisions of Regulation B, which implements the Equal Credit Opportunity Act. The CFPB announced that it was reconsidering coverage of certain credit transactions and financial institutions; the small business definition; inclusion of certain data points and how other data points are collected; and the compliance date. The CFPB claimed that these proposed changes would streamline the rule, reduce complexity for lenders, improve data quality, advance the purposes of section 1071, and comply with recent executive directives. The CFPB also claimed that a longer-term approach to advance the statutory purposes of section 1071

would be to commence the collection of data with a narrower scope to ensure its quality and to limit, as much as possible, disturbance to small businesses. The CFPB noted that it intends to approach the section 1071 rule like the CFPB did with the Home Mortgage Disclosure Act with an incremental approach.

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