

United States Senate

WASHINGTON, DC 20510

May 16, 2025

The Honorable Russell Vought
Acting Director
Consumer Financial Protection Bureau
1700 G Street NW
Washington, D.C. 20552

Dear Acting Director Vought:

I write to express grave concern over the Consumer Financial Protection Bureau’s recent decision to withdraw its proposed rule titled *Protecting Americans from Harmful Data Broker Practices*. The proposed rule, issued in December 2024, would have clarified that abusive practices of data brokers are subject to the Fair Credit Reporting Act (FCRA) and must obtain consumer consent before selling or sharing private and highly sensitive data—including financial information, Social Security numbers, income data, and health history.¹

Instead of moving forward with this urgently needed consumer protection, the Bureau quietly withdrew the proposal by notice in the Federal Register, stating that it is no longer “necessary or appropriate” under the Bureau’s current interpretation of the FCRA.² This decision came despite receiving more than 600 public comments on the rule—many from experts, advocates, and everyday Americans urging the Bureau to rein in a predatory and opaque industry.³

This rollback is deeply troubling. Americans’ most personal information, including real-time location data, private affiliations, and financial records, is being collected, repackaged, and sold without their knowledge or consent. Data brokers make this intimate personal information available for sale on the open market, exposing individuals to scams, surveillance, threats, and reputational harm at the hands of bad actors.

¹ “CFPB Quietly Kills Rule to Shield Americans From Data Brokers,” WIRED, May 14, 2025, <https://www.wired.com/story/cfpb-fcra-data-broker-oversight/>

² Federal Register notice, May 15, 2025, <https://www.federalregister.gov/documents/2025/05/15/2025-08644/protecting-americans-from-harmful-data-broker-practices-regulation-v-withdrawal-of-proposed-rule>

³ Public Comments on CFPB-2024-0044-0001, Regulations.gov, <https://www.regulations.gov/document/CFPB-2024-0044-0001/comment>

The harms are not hypothetical. In 2020 and 2021, the U.S. Department of Justice brought enforcement actions related to the sale of consumer data that was later used in fraudulent schemes. These cases revealed how certain data brokers enabled scammers to target vulnerable populations, particularly older adults. In one instance, a data broker provided data on 30 million individuals to entities later implicated in fraudulent schemes.⁴ In another, a company acknowledged its role in facilitating over \$9.5 million in losses stemming from senior-targeted scams.⁵ More recently, a breach at data brokerage firm reportedly exposed the location histories of elected officials and U.S. military personnel.⁶ Additionally, a 2023 study by the U.S. Military Academy at West Point found that data brokers present a clear national security risk.⁷

The Bureau's withdrawal of this rule also comes at a time when its capacity to protect consumers has been radically diminished. Over 1,400 CFPB employees were terminated last month—leaving the agency with only 300 staff members.⁸ The CFPB was created to serve as an independent watchdog for the American consumer. Backing away from oversight of data brokers—especially while the public remains in the dark about how their information is being used—abandons that mission. The Bureau has both the authority and the responsibility to act when Americans' safety, privacy, and national security are at stake.

I urge you to reconsider the withdrawal of this rule and to recommit to the Bureau's foundational mission. The American people cannot afford a regulatory vacuum that allows private actors to exploit their data with impunity. If the Bureau will not act, Congress must.

Sincerely,



Ruben Gallego
United States Senator

⁴ Marketing Company Agrees to Pay \$150 Million for Facilitating Elder Fraud Schemes, U.S. Department of Justice (Jan. 27, 2021), <https://www.justice.gov/archives/opa/pr/marketing-company-agrees-pay-150-million-facilitating-elder-fraud-schemes>

⁵ List Broker Pleads Guilty to Facilitating Elder Fraud Schemes, U.S. Department of Justice (Apr. 23, 2021), <https://www.justice.gov/archives/opa/pr/list-broker-pleads-guilty-facilitating-elder-fraud-schemes>.

⁶ “Massive Location Data Leak Exposed Military and Political Movements,” WIRED, <https://www.wired.com/story/gravy-location-data-app-leak-rtb/>

⁷ Sherman et al., ‘Data Brokers and the Sale of Data on U.S. Military Personnel,’ Duke Univ., 2023, <https://techpolicy.sanford.duke.edu/wp-content/uploads/sites/4/2023/11/Sherman-et-al-2023-Data-Brokers-and-the-Sale-of-Data-on-US-Military-Personnel.pdf>

⁸ WIRED, “CFPB Has Been Guttled,” <https://www.wired.com/story/cfpb-has-been-guttled/>