

United States Senate

WASHINGTON, DC 20510

July 16, 2025

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

Dear Acting Director Vought,

We write to express profound alarm over the Consumer Financial Protection Bureau's recent decision to terminate the consent order against Navy Federal Credit Union (NFCU), effectively excusing them from accountability for charging millions in illegal surprise overdraft fees to their members – primarily active-duty service members, veterans, Department of Defense employees, and their families.¹ This decision appears to prioritize financial institutions over the very servicemembers the Bureau is charged with protecting. The restitution funds intended to compensate harmed consumers are now at risk of being withheld. This reversal is particularly troubling given your Bureau's pledge less than three months ago to prioritize protections for military consumers.

In 2024, the CFPB found that between 2017 and 2022, NFCU charged overdraft fees on ATM withdrawals and debit card purchases—even when accounts showed sufficient funds. In response, the Bureau issued a consent order requiring NFCU to pay \$95 million in penalties and restitution: \$80.6 million directly to harmed consumers and \$15 million to the CFPB's victims relief fund. Your recent two-page order terminating that consent order provides no detailed explanation or justification for this reversal.²

On April 16, 2025, under your leadership, the Bureau pledged to “focus its enforcement and supervision resources on pressing threats to consumers, particularly service members and their families and veterans.”³ And yet, your abrupt reversal of this consent order suggests your stated commitment to servicemembers is little more than lip service. The CFPB's mission is to protect consumers from unfair, deceptive, or abusive practices and to hold lawbreaking companies accountable. Under your direction, it is doing neither. As former CFPB officials have

¹ *In the Matter of Navy Federal Credit Union*, CFPB Admin. Proc. File No. 2024-CFPB-0014, Order Terminating the Consent Order, July 1, 2025, available at https://files.consumerfinance.gov/f/documents/cfpb_navy-federal-credit-union_termination-of-consent-order_2025-07.pdf

² *Id.*

³ Brian Schwartz (@schwartzbWSJ), X, April 16, 2025, 6:27 P.M., <https://x.com/schwartzbWSJ/status/1912633869255188512>.

noted⁴, this decision raises serious concerns about whether the Bureau is still capable—or even willing—to fulfill its legal mandate. At a minimum, the public and Congress deserve answers.

Accordingly, we respectfully request answers to the following questions no later than July 30, 2025:

1. How much of the \$80.6 million in restitution remains unpaid to affected consumers?
2. What portion of the \$15 million originally designated for the Victims Relief Fund was actually deposited? If any amount was withheld or returned, please explain.
3. Were affected consumers notified that the consent order was terminated and that restitution obligations may be altered or withdrawn?
4. Was the Bureau’s Office of Servicemember Affairs consulted before the consent order was terminated? If not, why not?
5. What was the full legal and factual basis for terminating the consent order?
6. What communications or meetings occurred between the CFPB and Navy Federal Credit Union from January 1, 2025, to the present? Please include dates, topics, and participants.
7. Who at the CFPB authorized the termination of the consent order, and what internal processes were followed to approve it? Please identify all senior staff, attorneys, and political appointees involved.
8. Was any analysis conducted on the impact of this decision on affected consumers or on military households more broadly? If so, please provide a copy of that analysis.
9. How does this action align with the CFPB’s publicly stated enforcement priorities, particularly your April 16, 2025, memo referencing protections for servicemembers and veterans?

At a time when families are feeling the strain of higher costs and every dollar is hard-earned, the American people—especially our servicemembers, veterans, and military families—deserve more. They deserve a Bureau that has their backs, not one that shields institutions from accountability.

Thank you for your attention to this matter. We look forward to your prompt and thorough response.

Sincerely,

⁴ Konstantin Toropin, Military.com, “After Navy Federal Overdraft Fees Case Dropped, Experts Warn Troops Will Need to Be More Vigilant”, July 10, 2025, <https://www.military.com/daily-news/2025/07/10/after-navy-federal-overdraft-fees-case-dropped-experts-warn-troops-will-need-be-more-vigilant.html>



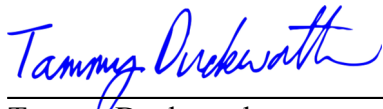
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United States Senator



Angela Alsobrooks
United States Senator



Catherine Cortez Masto
United States Senator



Tammy Duckworth
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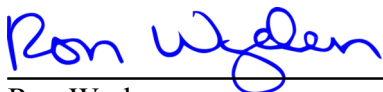
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