CFPB Summary re: House Financial Services Committee Request for Feedback on CFPB Reform Discussion Draft

July 2026

The House Financial Services Committee (HFSC) is requesting feedback from the public on a draft legislation entitled "CFPB Reform Act of 2026," which can be found here. The "request for feedback" can be found here and comments should be sent o fsc119@mail.house.gov by **August 21, 2026**.

The Act is divided into five titles, which are discussed in more detail below.

Title I – Reforming Bureau Governance

This title would reform the CFPB's structure and governance. The HFSC asks for feedback on the following:

- What additional structural reforms could reduce regulatory uncertainty resulting from changes in administrations and promote a more consistent, predictable, and durable framework for consumer financial regulation?
- How could the CFPB improve the quality and transparency of its rulemaking process while maintaining an efficient regulatory framework?
- Are there additional reforms to improve retrospective reviews of CFPB regulations to ensure outdated rules are removed?

Title II- Restoring Clarity and Procedural Fairness

Title II provides greater legal certainty by clarifying key statutory authorities and adds procedural safeguards, clarifies statute of limitations and addresses jurisdictional boundaries for attorneys and state-regulated insurance companies. The HFSC asks for feedback on the following:

- Are there additional statutory definitions that should be clarified to improve regulatory certainty?
- What procedural safeguards best promote fairness and predictability in CFPB supervision and enforcement?
- Are there additional areas where Congress should clarify the CFPB's jurisdiction?

Title III – Promoting Innovation in Consumer Financial Markets

Title III supports innovation and consumer access to financial products/services. The HFSC asks for feedback on the following:

- What regulatory barriers most limit innovation in consumer financial products/services?

- Are there additional changes to regulatory frameworks that encourage more small dollar loan offerings and promote competition and consumer choice?

- What further requirements help to distinguish between guidance and binding regulatory requirements?

Title IV – Promoting Effective, Predictable Supervision

Title IV modifies the CFPB's supervisory framework by adjusting supervisory thresholds for banks and credit unions, allowing certain institutions to elect prudential regulator supervision/examination for consumer compliance, strengthening coordination among financial regulators and tightening the CFPB's authority to supervise nonbanks. The HFSC asks for feedback on the following:

- How can Congress further improve coordination among the CFPB, prudential regulators, and state regulators?

- Are the proposed supervisory thresholds and the supervisory thresholds and the supervisory election framework appropriately calibrated?

- Are there additional reforms that could make CFPB supervision more risk-based, efficient, and predictable?

- How should Congress approach the CFPB's supervisory and examination authorities to balance effective consumer protection with minimizing duplicative regulatory oversight?

Title V – Preventing Regulation by Enforcement

Title V reduces reliance on the enforcement process as a means of establishing regulatory policy. The title reforms civil money penalties, market monitoring authorities, indexes regulator thresholds, and improves the CFPB's complaint procedures. The HFSC asks for feedback on the following:

- Are there additional reforms that reduce reliance on enforcement actions to establish regulatory expectations?

- How should Congress encourage voluntary compliance and self-reporting while maintaining appropriate accountability?

- Are there additional reforms that would improve the CFPB’s complaint process for both consumers and financial firms?

- How can Congress best protect sensitive consumer data that the CFPB possesses?