September 16, 2026

The Honorable French Hill
Chairman
Committee on Financial Services
United States House of Representatives
Washington, DC 20515

The Honorable Maxine Waters
Ranking Member
Committee on Financial Services
United States House of Representatives
Washington, DC 20515

Re: Letter in Support of Consumer Financial Protection Accountability and Reform Act of 2026

Dear Chairman Hill and Ranking Member Waters:

On behalf of the American Fintech Council (AFC) and its members,[1] I write to express our support for the Consumer Financial Protection Accountability and Reform Act of 2026, legislation noticed for today's markup. AFC applauds Representative Barr for his continued championing of efforts to modernize the Bureau, promote responsible innovation in financial services, and bring greater accountability, transparency, and predictability to consumer financial protection policy. We respectfully urge the Committee to advance the bill.

A standards-based organization, AFC is the largest and most diverse trade association representing financial technology companies and innovative banks. On behalf of more than 150 member companies and partners, AFC promotes a transparent, inclusive, and customer-centric financial system by supporting responsible innovation in financial services and encouraging sound public policy. AFC members foster competition in consumer finance and pioneer products that better serve underserved consumer segments and geographies.

The Consumer Financial Protection Accountability and Reform Act of 2026 addresses a wide range of issues involving the governance of the Bureau and the industries it regulates. When operating in the proper manner, the Consumer Financial Protection Bureau can meet its core mission of creating and supporting innovative and resilient financial markets where consumers'

[1] AFC's membership spans technology platforms, non-bank lenders, banks, payments providers, loan servicers, credit bureaus, and personal financial management companies.

needs are met.[2] In particular, AFC wishes to highlight four provisions that reflect priorities AFC has championed for years and that we believe merit special attention as the Committee considers this legislation. Below, we outline our specific support for Sections 106, 304, 404, and 505.

I. AFC Supports an Independent Inspector General for the Bureau

Section 106 would give the Bureau its own Senate-confirmed Inspector General, appointed by the President, rather than continuing to share an Inspector General with the Federal Reserve Board of Governors, as is the case under current law. The provision sets a 60-day post-enactment deadline for appointment and includes transition and savings provisions so that pending audits and investigations continue without interruption. AFC believes dedicated, independent oversight of the Bureau's operations, budget, and enforcement conduct will strengthen the CFPB's institutional accountability and public credibility.

II. AFC Supports a Federal Framework for Earned Wage Access

Section 304 establishes a durable, national consumer-protection framework for earned wage access (EWA) services, requiring a free, no-cost option whenever a fee-based option is offered, clear disclosure of fees and tips before disbursement and ongoing access to cumulative totals, a ban on default tips above $0, non-discrimination requirements, GLBA-level data privacy protections, and others. As we have long maintained, EWA is not a loan and should not be regulated as such, and Section 304 reflects that principle by clarifying that compliant EWA services are not credit, a loan, or debt, while preserving state authority to enforce general consumer-protection and fraud laws.

This approach tracks the policies AFC and our EWA membership have championed for years and that the Consumer Financial Protection Bureau itself confirmed in its December 2025 Advisory Opinion concluding that Covered EWA is not credit under Regulation Z.[3] It also mirrors H.R. 9330, the Earned Wage Access Consumer Protection Act,[4] which this Committee reported out of markup in a bipartisan fashion, and which AFC has strongly supported for the same reasons. With millions of American workers relying on EWA to access wages they have already earned, AFC believes Section 304 will provide the statutory certainty that an advisory opinion alone cannot, and we urge the Committee to advance it.

III. AFC Supports Reforms to Nonbank Supervision

Section 404 raises the bar the Bureau must meet before exercising its discretionary supervisory authority over nonbanks, replacing the "risks to consumers" standard with a "substantial injury to consumers" standard, extending the opportunity to respond to a preliminary determination to at least 90 days, requiring a 90-day notice-and-comment period for any future rulemaking that defines covered persons subject to supervision, extending the small business exemption, and

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[2] Consumer Financial Protection Bureau, "About Us," available at, https://www.consumerfinance.gov/about-us/the-bureau/.

[3] Consumer Financial Protection Bureau. "Truth in Lending (Regulation Z); Non-application to Earned Wage Access Products." Advisory Opinion, 90 FR 60069, (Dec. 2025) available at https://www.federalregister.gov/documents/2025/12/23/2025-23735/truth-in-lending-regulation-z-non-application-to-earned-wage-access-products.

[4] Earned Wage Access Consumer Protection Act, H.R. 9330, 119th Cong. (2026), available at https://docs.house.gov/meetings/BA/BA00/20260630/119430/BILLS-119HR9330ih.pdf.

limiting the scope of any resulting supervision to the activities, records, and personnel directly related to the specific product or service at issue. These reforms are consistent with positions AFC has raised with the Bureau before, including in our 2022 comment letter on the Bureau's nonbank risk-determination process, where we urged greater procedural transparency and predictability and treatment of discretionary supervisory authority as a tool of last, not first, resort.[5] Section 404 codifies many of those same principles into law.

IV. AFC Supports Reforms to Tracking and Collecting of Complaints

Section 505 requires the Bureau to verify, under penalty of perjury, that complaints submitted through its consumer complaint system are accurate and are submitted by the consumer or an authorized representative, and that the consumer gave the company at least 60 days' notice before escalating to the Bureau. It also directs the Bureau to notify consumers whose names were used without authorization and to give the responding company that information, and requires a process for closing duplicative, frivolous, or unauthorized complaints.

AFC supports these good-governance reforms, which will improve the integrity and reliability of the complaint database that the Bureau, companies, and the public all rely on. This is consistent with AFC's broader advocacy on complaint integrity: we have long urged the Bureau to reengage its regulations regarding credit repair organizations and to mandate that claims made on behalf of consumers by credit repair organizations be clearly and conspicuously identified for lenders receiving these claims.[6] We will continue to find avenues to advocate for reforms that reduce the instances of fraudulent complaints being submitted, and we view Section 505 as an important step in that direction.

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AFC appreciates the Committee's, and Representative Barr's, work on these important provisions. We look forward to continuing to work with the Committee on these and other measures that promote a transparent, competitive, and consumer-friendly financial system.

Sincerely,

Ian P. Moloney

Ian P. Moloney
Chief Policy Officer
American Fintech Council

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[5] American Fintech Council, Letter to Legal Division, Consumer Financial Protection Bureau, Re: Docket No. CFPB-2022-0024, Supervisory Authority Over Certain Nonbank Covered Persons Based on Risk Determination; Public Release of Decisions and Orders (May 31, 2022), available at https://fintechcouncil.org/advocacy/comment-on-the-cfpbs-proposal-to-invoke-dormant-authority-to-examine-nonbank-companies.
[6] American Fintech Council, Letter to the Hon. Russell Vought, Director, Office of Management and Budget, Re: CFPB Policy Priorities (March 13, 2025) available at https://www.fintechcouncil.org/advocacy/federal-afc-letter-to-omb-director-vought-on-cfpb-policy-priorities

Cc:

The Honorable Andy Barr, United States House of Representatives