UNITED STATES HOUSE COMMITTEE ON
FINANCIAL SERVICES
CHAIRMAN FRENCH HILL

Section-by-Section: Consumer Financial Protection Accountability and Reform Act of 2026

H.R. 10184, the Consumer Financial Protection Accountability and Reform Act of 2026, introduced by Subcommittee on Financial Institutions Chairman Andy Barr (KY-06) and Chairman French Hill (AR-02), establishes durable guardrails for the Consumer Financial Protection Bureau (CFPB) — ensuring it remains accountable, operates transparently, and stays focused on its core mission of protecting consumers while preserving consumer choice, competition, innovation, and access to affordable financial products and services.

TITLE I – REFORMING BUREAU GOVERNANCE

Sec. 101. **Bringing the Bureau into the regular appropriations process.** Section 101 eliminates provisions that fund the CFPB using transfers from earnings of the Federal Reserve System. It also removes the Consumer Financial Protection Fund, which allows the CFPB to carry unused balances from fiscal year to fiscal year.

Sec. 102. Consumer Financial Civil Penalty Fund. Section 102 requires the CFPB to return to the general fund of the U.S. Treasury any civil penalties remaining in the Civil Penalty Fund (CPF) after payment to direct victims.

Sec. 103. Transparency in cost-benefit analysis. Section 103 requires each rulemaking issued by the CFPB to include a justification for the proposed rule; a quantitative and qualitative assessment of all anticipated direct and indirect costs and benefits; alternatives to the proposed rule; impacts on small businesses; and any assumptions, data, or studies used in preparing the information.

Sec. 104. Accountability to small businesses. Section 104 strengthens requirements for the CFPB to consider the impact of proposed rules on small entities and evaluate alternatives that could reduce burdens on small entities. When issuing both proposed rules and final rules, the CFPB must explain its decision why the rule does not include alternatives tailored to the size and resources of small entities. For final rules, the CFPB must also describe the steps it took to minimize any additional cost of credit for small entities.

Sec. 105. Modernizing regulatory reviews. Section 105 significantly enhances lookback reviews of major CFPB rules and orders by requiring the Director of the Office of Management and Budget (OMB) to conduct a retrospective review every eight years that evaluates the costs and benefits of the rule and how the rule met stated objectives required under Sec. 103. Retrospective reviews under Sec. 105 include a public comment process and interagency consultation. If the OMB Director determines in such reviews that rules do not demonstrate net benefits, then the CFPB is required to issue a notice of proposed rulemaking to amend or repeal the rule within one year.

Sec. 106. Consumer Financial Protection Bureau Inspector General Reform. Section 106 establishes an Inspector General solely for the CFPB (CFPB-IG) that is separate from the Inspector General of the Board of Governors of the Federal Reserve System. It also requires the CFPB-IG to testify semiannually in front of the House Committee on Financial Services and Senate Committee on Banking, Housing, and Urban Affairs. This section grants the CFPB-IG participation in the Council of Inspectors General on Financial Oversight (CIGFO). It also requires the President to appoint the CFPB-IG within 60 days of enactment.

TITLE II – RESTORING LEGAL CLARITY AND PROCEDURAL FAIRNESS

Sec. 201. Rectifying undefined descriptions of abusive acts and practices. Section 201 clarifies the CFPB's authority to define financial practices as "abusive" and establish clearer standards for Unfair, Deceptive, or Abusive Acts or Practices (UDAAP) enforcement actions. This section also amends existing language to ensure that an act or practice can be deemed abusive only if there is risk of substantial injury to the consumer which countervailing benefits do not outweigh. It further eliminates the CFPB's ability to seek monetary relief if a covered person shows good faith efforts to comply; requires a cost-benefit analysis for UDAAP rules; allows providers to self-report violations with a 180-day opportunity to cure them before the CFPB can take legal action; clarifies the CFPB must bring all UDAAP enforcement actions in the U.S. District Court where the covered person has its headquarters or the U.S. District Court for the District of Columbia; and prevents the CFPB from assessing civil money penalties for UDAAP violations that precede the most recent assignment of a rating under the Uniform Interagency Consumer Compliance Rating system.

Sec. 202. Limitation on use of UDAAP to circumvent statutes of limitations. Section 202 requires the CFPB to adhere to the statute of limitations applicable to the underlying consumer protection statute and prohibits the CFPB from extending statute of limitations periods by separately alleging a UDAAP violation.

Sec. 203. Definition of substantial injury. Section 203 defines the term substantial injury as concrete and quantifiable harm that does not include hypothetical or merely speculative harm, emotional or reputational harm, or harms that are outweighed by countervailing benefits to consumers and competition.

Sec. 204. Restoring court authority over litigation. Section 204 reinforces the authority of state and federal courts over the legal profession by prohibiting federal agencies from regulating attorneys and law firms engaged in litigation, and by barring private lawsuits against them for litigation-related conduct.

Sec. 205. Clarification to the authority of the Bureau with respect to persons regulated by a State insurance regulator. Section 205 clarifies that the CFPB does not have the ability to regulate or take enforcement actions against insurance companies that are already regulated by a state insurance regulator.

TITLE III – PROMOTING INNOVATION IN CONSUMER FINANCIAL MARKETS

Sec. 301. Safe harbor for small-dollar credit products. Section 301 amends the *Truth in Lending Act* to provide a safe harbor for certain depository institutions offering responsible small-dollar credit products. It sets standards for loan terms, underwriting, and disclosures, and limits penalties and fees to promote affordable, transparent lending for loans of $3,500 or less.

Sec. 302. Guidance clarity statement required. Section 302 directs each federal financial regulatory agency to issue a guidance clarity statement on the front page of any guidance issued by the agency that states the guidance is not legally binding.

Sec. 303. GAO study on buy now pay later services. Section 303 requires the GAO to study "buy now pay later" services and report its findings to Congress within one year.

Sec. 304. Earned wage access services. Section 304 provides a federal framework for the provision of earned wage access (EWA) services.

TITLE IV – PROMOTING EFFECTIVE, PREDICTABLE SUPERVISION

Sec. 401. Asset thresholds for supervision of banks, savings associations, and credit unions by the Consumer Financial Protection Bureau. Section 401 raises the asset threshold for banks and credit unions that are subject to CFPB supervision and examination for consumer compliance from $10 billion to $30 billion, indexed for nominal GDP going forward. The $30 billion figure reflects nominal GDP growth since the enactment of the *Dodd-Frank Wall Street Reform and Consumer Protection Act* (Dodd-Frank). Prudential regulators would have exclusive enforcement authority for financial institutions under $30 billion – though the CFPB is still permitted to refer enforcement actions and require limited reports under existing authorities.

Sec. 402. Supervisory election for covered institutions. Section 402 permits financial institutions above the new $30 billion threshold to elect to choose their prudential regulator as their supervisor and examiner for consumer compliance. GSIBs retain the CFPB for consumer compliance supervision and examination. Financial institutions that cross the new threshold automatically remain under prudential regulator supervision and examination for consumer compliance. Section 402 permits the CFPB to petition the prudential regulator to take over supervision and examination of a given institution if they find that the institution presents heightened risks of substantial injury to consumers or if the prudential regulator has failed to adequately supervise the entity. The CFPB is permitted to take enforcement actions against entities above the $30 billion threshold who have elected prudential regulator supervision if the prudential regulator does not act on a CFPB referral within 120 days.

Sec. 403. Financial regulatory coordination and accountability. Section 403 amends existing coordination provisions to require the CFPB to submit all rules to the prudential regulators – and require prudential regulators to comment on CFPB rulemakings – before they seek public comment. It also encourages state financial regulators to comment before the CFPB issues the rules. Specifically, prudential regulators must assess the potential impact of the proposed rule on the safety and soundness of banks and credit unions. The CFPB is required to publish and provide detailed responses to these comments in the rulemaking docket concurrently with the issuance of the notice of proposed rulemaking. Section 403 also enhances coordination requirements when the CFPB brings an enforcement action against a bank or credit union, including advanced solicitation of prudential and relevant state regulator views on the enforcement action before proceeding.

Sec. 404. Reforms to nonbank supervision. Section 404 adds guardrails to the CFPB's supervision of nonbanks through its larger participant authorities. Specifically, it replaces the ambiguous term "risks to consumers" with the defined term "substantial injury to consumers"; requires a minimum 90-day comment period for larger participant rulemakings; explicitly excludes small businesses; limits the scope of CFPB supervision and examination within a given entity to exclude divisions or business lines that are not determined to pose substantial injury risk to consumers; and clarifies the definition of markets to mean consumer financial products or services that (1) share the same primary consumer purpose and (2) are reasonably interchangeable by consumers.

TITLE V – PREVENTING REGULATION BY ENFORCEMENT

Sec. 501. Civil money penalties. Section 501 restructures penalty tiers, revises certain penalty maximums, adds self-reporting as a mitigating factor, and requires the CFPB to issue rules reducing penalties for self-reported violations. Specifically, Section 501 removes the CFPB's authority to impose civil money penalties for violations that are not committed knowingly or recklessly and lowers the maximum penalty for knowing violations from $1,000,000 per day to $50,120.

Sec. 502. Limitation on market monitoring functions. Section 502 limits the CFPB's authority to issue market monitoring orders under Section 1022(c)(4). Specifically, it prevents the use of information derived from market monitoring in CFPB supervision and enforcement actions.

Sec. 503. Enforcement powers of the States. Section 503 clarifies that states may not initiate enforcement proceedings against an entity if the CFPB intends to bring or is already bringing an enforcement proceeding against the same entity. Additionally, Section 503 clarifies states' authorities under Title X of Dodd-Frank.

Sec. 504. Indexing of asset-based thresholds in regulations. Section 504 directs the CFPB to identify and subsequently index any asset-based thresholds, which are defined as any dollar-based threshold that determines the applicability of CFPB regulation.

Sec. 505. Collecting and tracking complaints. Section 505 requires consumers who submit complaints to the CFPB to attest under penalty of perjury to the accuracy and legitimacy of their complaint. It also requires consumers to first submit complaints directly with institutions before submitting them through the CFPB's complaint portal. It allows financial institutions to close complaints deemed duplicative, frivolous, unauthorized, or fraudulent, with notification and recordkeeping. This section also protects complaint narrative confidentiality while permitting publication of aggregated, non-identifiable data.

Sec. 506. Enhancements to small business loan privacy. Section 506 requires the CFPB to clarify, through a notice-and-comment rulemaking, the way information collected under the CFPB's Small Business Lending Rule, pursuant to Section 1071 of Dodd-Frank, will be published.