

## Vought's Transformational First Few Days at the CFPB

Article By:

Jonathan R. Kolodziej

---

Within approximately 48 hours, starting on the evening of Friday, February 7, 2025, the trajectory of the Consumer Financial Protection Bureau (CFPB) was significantly altered. Among other things, a new acting director was installed, a more comprehensive internal pause – one that now explicitly covers supervision, examination, and enforcement activities – was put in place, the new acting director publicly stated that the CFPB would not be seeking any additional funding for the third quarter of the 2025 fiscal year and the CFPB's Washington, D.C. headquarters were closed for a week.

President Donald Trump initially tapped newly confirmed Treasury Secretary Scott Bessent to also temporarily replace Rohit Chopra as the director of the CFPB. In a surprising move, exactly one week later, the [Wall Street Journal reported](#) that Bessent had been replaced by Russell Vought to serve as acting director. Like Bessent before him, Vought is simultaneously serving two roles in the Trump administration. On Thursday, February 6, 2025, the day before being designated as the acting director of the CFPB, Vought was confirmed by the Senate to lead the Office of Management and Budget (OMB). When Bessent was designated to be the CFPB's acting director, we [explained](#) how the Federal Reform Vacancies Act imposes limits on who can serve in an acting capacity as the director of an executive agency. Like Bessent, Vought now checks the right boxes by having been confirmed by the Senate to lead the OMB.

Although Trump has not yet issued any official statements regarding the appointment, Vought sent an [email](#) to all CFPB staff Saturday evening notifying them of the move. That email echoed what Bessent reportedly told the CFPB staff a week earlier, directing an internal pause on most, if not all, activities at the agency. However, Vought's email goes even further than Bessent's, purportedly including specific instructions for the CFPB to "cease any pending investigations," and "[c]ease all supervision and examination activity." Once again, it will be important to monitor whether these are temporary pauses or whether they signal a more permanent wind-down of the CFPB's activities.

Next, on the evening of Saturday, February 8, 2025, acting director Vought published a message on X (formerly known as Twitter) summarizing a letter that he sent the same day to Federal Reserve Chairman Jerome Powell regarding the CFPB's funding. His post explained that "the CFPB will not be taking its next draw of unappropriated funding," and that the "Bureau's current balance of \$711.6 million is in fact excessive in the current fiscal environment." His letter to Powell also states that he has also "determined that no additional funds are necessary to carry out the authorities of the Bureau for Fiscal Year 2025."

As a quick refresher, the CFPB's funding structure is set forth in the Consumer Financial Protection Act. Specifically, the director of the CFPB is to request from the Federal Reserve an "amount determined . . . to be reasonably necessary to carry out the authorities of the Bureau under Federal consumer financial law, taking into account such other sums made available to the Bureau from the preceding year (or quarter of such year)." The CFPB spent a total of [\\$729.4 million](#) in fiscal year 2024, and former director Chopra requested and received [\\$248.9 million](#) and [\\$245.1 million](#) for the first and second quarters of fiscal year 2025, respectively. Vought's social media post suggests that the \$711.6 million the CFPB currently has is enough for it to fulfill its duties for the remainder of fiscal year 2025.

Interestingly, the letter from Vought to Powell also notes that prior CFPB administrations have chosen to maintain a "reserve fund," though no such fund is required by law. Vought's letter commits to ceasing that practice and states that "[t]he Bureau's new leadership will run a substantially more streamlined and efficient bureau . . . and do its part to reduce the federal deficit."

As if that all weren't enough, on the evening of Sunday, February 9, 2025, acting director Vought [reportedly emailed all CFPB staff](#) again and this time informed them that the agency's headquarters in Washington, D.C. would be closed this upcoming week and that all employees should work remote. This has led many to wonder whether the CFPB's headquarters are being permanently shuttered, whether the closure is somehow related to the [ongoing review](#) of the CFPB that is being conducted by the Department of Government Efficiency (DOGE) or whether there is some other reason to justify a temporary closure. After a hectic weekend filled with CFPB-related developments, the future of the agency is uncertain at best. We will continue to monitor for future developments that impact our clients and report on them here.

[Listen to this post](#)

© 2025 Bradley Arant Boult Cummings LLP

---

National Law Review, Volume XV, Number 41

Source URL: <https://natlawreview.com/article/voughts-transformational-first-few-days-cfpb>