

Banking and Finance Law Daily Wrap Up, CONSUMER FINANCIAL PROTECTION BUREAU—CFPB’s advance notice of proposed rulemaking reconsiders ‘Personal Financial Data Rights’ rule, (Aug. 21, 2025)

Banking and Finance Law Daily Wrap Up

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By Shashi Kant, BALLB, LLM.

Following litigation and a rule suspension, the Bureau now is seeking public comment on the topics of representatives, fees, security, and privacy concerning Dodd Frank Act “Section 1033” compliance.

The Consumer Financial Protection Bureau (CFPB) has issued an [advance notice of proposed rulemaking](#) (ANPR) seeking public comment on potential revisions to its Personal Financial Data Rights (PFDR) rule under Section 1033 of the Dodd-Frank Act. The Bureau stated it is reconsidering the PFDR rule that was finalized in October 2024 and is requesting comment and data on four issues: (1) the definition of who may act as a consumer’s “representative”; (2) the allocation of costs related to data access; (3) information security standards; and (4) consumer privacy protections. The Bureau is publishing the ANPR on Aug. 22, 2025, in the *Federal Register*, and comments are due by Oct. 21, 2025.

Background. Section 1033 of the Dodd-Frank Act requires financial institutions to make information under their control available to consumers upon request, subject to rules issued by the CFPB. In October 2024, the Bureau announced the PFDR final rule (see [Banking and Finance Law Daily](#), Oct. 22, 2024). The rule applied to banks, credit unions, and other providers of transaction accounts and payment services. It required that consumers and authorized third parties be provided access to data such as transactions, charges, and account usage.

The PFDR rule set obligations for third parties, including requirements for consent and limits on data use. The rule provided phased compliance deadlines. The largest institutions were scheduled to comply by April 1, 2026. Smaller institutions had deadlines through April 1, 2030. On the same day the rule was finalized, Forcht Bank, the Kentucky Bankers Association (KBA), and the Bank Policy Institute (BPI) filed suit in federal court in Lexington, Kentucky. The complaint alleged that the CFPB exceeded its statutory authority, imposed unreasonable compliance timelines, and created risks to consumer data security and privacy. The plaintiffs also challenged the prohibition on charging fees for data access (see [Banking and Finance Law Daily](#), Oct. 23, 2024).

Litigation and agency position. In May 2025, the CFPB filed a status report with the court stating that Bureau leadership determined the PFDR rule was “unlawful and should be set aside.” The Bureau informed the court that it would file a motion for summary judgment to vacate the rule (see [Banking and Finance Law Daily](#), May 27, 2025). The Financial Technology Association (FTA) intervened in the litigation, arguing that rescinding the rule would restrict consumer choice and limit the ability of technology companies to provide financial services. On July 29, 2025, the court granted the Bureau’s motion to stay the proceedings in the Kentucky case (see [Banking and Finance Law Daily](#), July 30, 2025). The Bureau advised the court that it planned to initiate a new rulemaking process to reconsider the PFDR rule. The Bureau indicated it would issue an ANPR within weeks.

ANPR topics for comments. The ANPR identifies four main subjects for comment:

1. **Definition of “representative.”** Section 1033 defines a consumer to include an individual or an agent, trustee, or representative acting on behalf of an individual. The PFDR rule had interpreted “representative” to include third parties authorized by consumers through prescribed procedures. The Bureau is requesting comment on whether representatives must be fiduciaries, or whether non-fiduciary third parties can also qualify.
2. **Defrayment of costs.** The PFDR rule prohibits data providers from charging consumers or third parties fees for providing access to data. The Bureau is requesting comment on whether the statute

permits fees, whether reasonable cost recovery should be allowed, and whether caps should be imposed if fees are permitted.

3. **Information security.** The ANPR requests information on whether existing security requirements under the Gramm-Leach-Bliley Act are sufficient, the costs institutions incur in implementing secure systems, and how responsibilities should differ between fiduciary and non-fiduciary representatives. The Bureau is also seeking comment on data breach risks, including average per-client costs of remediation.
4. **Privacy.** The PFDR rule required informed consent for third-party access and limited data use to the product requested by the consumer. The Bureau is requesting comment on the prevalence of data licensing or sale by institutions, the extent to which consumers review privacy notices, and whether stronger limits are required.

Next steps. Comments on the ANPR must be submitted by Oct. 21, 2025. Notably, the CFPB has stated that all submissions will be posted to *regulations.gov* without change. The Bureau said it intends to use the information gathered to inform a notice of proposed rulemaking, which will propose revisions to the PFDR rule.

Companies: American Fintech Council; Bank Policy Institute; Consumer Bankers Association; Financial Technology Association; Forcht Bank; Kentucky Bankers Association

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