Gallego Leads Colleagues in Condemning Trump Administration for Letting Credit Union Off the Hook for Overcharging Military Families

WASHINGTON – Today, **Senator Ruben Gallego (D-AZ)** led seven of his colleagues in **condemning (https://www.gallego.senate.gov/wp-content/uploads/2025/07/Letter-to-CFPB-re-Reversal-of-Navy-Federal-Credit-Union-Consent-Order.pdf)** the Trump administration for its recent decision to terminate the consent order against Navy Federal Credit Union (NFCU), effectively excusing them from accountability for charging millions in illegal surprise overdraft fees to their members – primarily active-duty service members, veterans, Department of Defense employees, and their families.

“In 2024, the CFPB found that between 2017 and 2022, NFCU charged overdraft fees on ATM withdrawals and debit card purchases – even when accounts showed sufficient funds,” **the Senators wrote in a letter to Consumer Financial Protection Bureau (CFPB) Acting Director Russell Vought.** “In response, the Bureau issued a consent order requiring NFCU to pay $95 million in penalties and restitution: $80.6 million directly to harmed consumers and $15 million to the CFPB’s victims relief fund.”

That order was rescinded on July 1, 2025.

“As former CFPB officials have noted, this decision raises serious concerns about whether the Bureau is still capable – or even willing – to fulfill its legal mandate,” **the Senators continue.** “At a minimum, the public and Congress deserve answers.”

The letter was cosigned by **Senators Catherine Cortez Masto (D-NV), Chris Van Hollen (D-MD), Ron Wyden (D-OR), Tammy Duckworth (D-IL), Raphael Warnock (D-GA), Elizabeth Warren (D-MA),** and **Angela Alsobrooks (D-MD).**

READ MORE: Senators Demand Answers After Case Dropped Against Navy Federal for Charging Troops Overdraft Fees (https://www.military.com/daily-news/2025/07/16/senators-demand-answers-after-case-dropped-against-navy-federal-charging-troops-overdraft-fees.html)

The letter is endorsed by the Consumer Federation of America. “The Trump-era CFPB cannot reverse this consent order and simultaneously claim that it is prioritizing the interests of servicemembers,” **said Adam Rust, Director of Financial Services for the Consumer Federation of America.** “This action has diverted millions of dollars owed to military families—an unacceptable breach of trust. Acting Director Vought owes the public a clear and immediate explanation.”

Read the full letter, including the questions posed by the Senators to Acting Director Vought, HERE (https://www.gallego.senate.gov/wp-content/uploads/2025/07/Letter-to-CFPB-re-Reversal-of-Navy-Federal-Credit-Union-Consent-Order.pdf).

Senator Gallego is a Marine Corps combat veteran who serves on the Committee on Banking, Housing, and Urban Affairs and the Committee on Veterans' Affairs. He has **consistently (https://www.banking.senate.gov/imo/media/doc/letter_to_vought_besse (https://www.banking.senate.gov/imo/media/doc/Letter_to_Vought_on_C (https://www.democrats.senate.gov/imo/media/doc/amicus_brief_in_cfpb** Trump administration's attempts to gut and dismantle the CFPB and has called out the Trump-CFPB's decisions to **re-add medical debt (https://www.gallego.senate.gov/press-releases/gallego-colleagues-demand-answers-on-trump-administration-re-adding-medical-debt-onto-credit-reports/)** to Americans' credit reports and to **cancel a rule (https://www.gallego.senate.gov/press-releases/gallego-demands-action-to-protect-americans-personal-data/)** protecting consumers' personal data.

7/16/25

Washington, DC

SH-302 Hart Senate Office Building
Washington, DC 20510
P# 202-224-4521

Map (/map-1)

Phoenix, AZ

3333 E. Camelback Rd
Suite 200
Phoenix, AZ 85018
P# 480-697-3600

Map (/map-2)

Tucson, AZ

20 East Ochoa Street
Tucson, AZ 85701
P# 520-777-0400

Map (/map-3)

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