

<https://www.livemint.com/companies/news/bank-of-america-exits-consumer-regulator-s-monitoring-three-years-early-11750711644134.html>

Bank of America Exits Consumer Regulator's Monitoring Three Years Early

The Consumer Financial Protection Bureau cut short a five-year agreement with Bank of America Corp. over the bank's alleged submission of false mortgage data as the significantly curtailed government agency rolls back a bevy of settlements, ending the monitoring of BofA more than three years early.

Bloomberg

Published

24 Jun 2025, 02:17 AM IST

(Bloomberg) -- The Consumer Financial Protection Bureau cut short a five-year agreement with Bank of America Corp. over the bank's alleged submission of false mortgage data as the significantly curtailed government agency rolls back a bevy of settlements, ending the monitoring of BofA more than three years early.

The bank "fulfilled the obligations" of the agreement signed in November 2023, including paying a \$12 million civil money penalty, and the pact was terminated on June 4, according to a CFPB filing. The consent order with one of the largest US banks was supposed to extend through at least November 2028 to ensure compliance.

The consumer-focused regulator claimed that some of Bank of America's loan officers failed to collect race, ethnicity and sex data on mortgage applicants from early 2016 through late 2020 and then falsely said that customers

declined to provide the information. The Home Mortgage Disclosure Act data is collected by the CFPB to monitor home lenders for discrimination.

A Bank of America spokesperson declined to comment on the order's early termination. The CFPB didn't respond to a request for comment.

The CFPB under acting Director Russell Vought has moved to terminate several settled enforcement actions agreed to under his Biden-era predecessor, Rohit Chopra, including a \$100,000 settlement with the mortgage lender Townstone Financial Inc. The CFPB alleged that the president of that firm, Barry Sturner, deterred potential Black borrowers from applying for home loans by using racist language on a radio show and podcasts.

A federal judge denied the request from the CFPB and Townstone this month, saying that doing so would "erode public confidence in the finality of judgments."

In addition to the Townstone case, the CFPB has dissolved other settlements, including one with Toyota Motor Credit Corp., which involved canceling provisions of the deal that allowed the Japanese automaker's finance arm to escape \$40 million in restitution payments to borrowers who were unable to cancel add-on products.

The move involving BofA is yet another example of how the reach of the agency, which was formed in the wake of the 2008 financial crisis, has been scaled back. Vought has tried on two occasions to fire as many as 1,500 of the 1,700 workers the CFPB had at the start of the year, and a federal appeals

court in Washington is currently weighing whether to stop the Trump administration's latest attempt to do so.

The CFPB's enforcement and supervision staff have largely been barred from carrying out their duties under a stop-work order Vought put in place soon after he was appointed acting director in February. The CFPB has voluntarily dismissed around 20 enforcement actions since February, including cases against JPMorgan Chase & Co., Wells Fargo & Co. and Capital One Financial Corp.