

No. 24-40705

**IN THE UNITED STATES COURT OF APPEALS
FOR THE FIFTH CIRCUIT**

Texas Bankers Association; Rio Bank, McAllen, Texas; American Bankers Association; Texas First Bank; Independent Bankers Association of Texas; Independent Community Bankers of America,

Plaintiffs-Appellants

v.

Consumer Financial Protection Bureau; Russell Vought, in his official capacity as Acting Director of the Consumer Financial Protection Bureau,

Defendants-Appellees

v.

Texas Farm Credit; Farm Credit Council; Capital Farm Credit,

Intervenor Plaintiffs-Appellants

v.

XL Funding, L.L.C.; Equipment Leasing and Finance Association; Rally Credit Union; Credit Union National Association; Cornerstone Credit Union League

Intervenors-Appellants

On Appeal from the United States District Court
for the Southern District of Texas, Case No. 7:23-cv-144

STATUS REPORT

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STATUS REPORT

Defendants-Appellees the Consumer Financial Protection Bureau (CFPB) and Russell Vought, in his official capacity as the Acting Director of the CFPB, respectfully submit this periodic Status Report concerning the ongoing agency proceedings to reconsider the CFPB’s 2023 Small Business Lending Rule (“the Rule” or “2023 Rule”).

On July 2, August 1, September 2, October 2, and November 3, the Bureau submitted status reports informing this Court that the agency’s new leadership has directed staff to initiate a new Section 1071 rulemaking. In June, the Bureau also took the initial step of issuing an interim final rule extending the Rule’s deadlines for all regulated entities in order to ensure even treatment for all market participants and to provide time for the Bureau to consider and propose a new Section 1071 rule. *See* 90 Fed. Reg. 25,874 (June 18, 2025). On October 2, following the Bureau’s consideration of comments received in response to its initial extension action, the Bureau finalized the June interim final rule extending the 2023 Rule’s compliance deadlines. *See* 90 Fed. Reg. 47,514 (October 2, 2025). In doing so, the Bureau “confirm[ed] its belief that this extension of the compliance date should be sufficient” to ensure uniform treatment of market participants and to provide time “for the CFPB to issue a new proposal to reconsider certain aspects of the 2023 final rule.” *Id.* at 47,516.

Since its prior Status Report, the Bureau continued to engage in ongoing work to prepare a notice of proposed rulemaking to reconsider the 2023 Rule. And on November 13, the Bureau issued that notice of proposed rulemaking. *See* 90 Fed. Reg. 50,952 (November 13, 2025).

On November 11, the Bureau announced that the Department of Justice's Office of Legal Counsel has determined that the Bureau may not legally request funds at this time from the Federal Reserve under the Dodd-Frank Act. The Bureau anticipates having sufficient funds to continue operations until at least December 31, 2025. *See* CFPB Notifies Court it Cannot Lawfully Draw Funds from the Federal Reserve (November 11, 2025), *available at* <https://www.consumerfinance.gov/about-us/newsroom/cfpb-notifies-court-it-cannot-lawfully-draw-funds-from-the-federal-reserve/>.

In light of that development, the Bureau is undertaking efforts to issue an interim final 1071 rule.

Dated: December 3, 2025

Respectfully submitted,

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CERTIFICATE OF SERVICE

I hereby certify on December 3, 2025, a true and correct copy of this document was served electronically by the Court's CM/ECF system to all counsel of record.

Dated: December 3, 2025

/s/ Larkin Turner

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