IN THE UNITED STATES DISTRICT COURT FOR THE NORTHERN DISTRICT OF TEXAS FORT WORTH DIVISION

CHAMBER OF COMMERCE OF THE UNITED STATES OF AMERICA; FORT WORTH CHAMBER OF COMMERCE; LONGVIEW CHAMBER OF COMMERCE; AMERICAN BANKERS ASSOCIATION; CONSUMER BANKERS ASSOCIATION; and TEXAS ASSOCIATION OF BUSINESS,

Plaintiffs,

v.

CONSUMER FINANCIAL PROTECTION BUREAU; and RUSELL VOUGHT, 1 in his official capacity as Acting Director of the Consumer Financial Protection Bureau,

Defendants.

Case No.: 4:24-cv-213-P

DEFENDANTS' STATUS REPORT

Defendants the Consumer Financial Protection Bureau and Russell Vought (collectively, the Bureau) respectfully submit this response to the Court's February 10, 2025, order requesting that the Bureau "explain[] how CFPB plans to proceed in this case." See Order (Feb. 10, 2025), ECF No. 135.

On February 7, 2025, the President designated Director of the Office of Management and Budget Russell Vought to serve as Acting Director of the Bureau. The Bureau's new leadership

¹ Mr. Vought became the Acting Director of the CFPB on February 7, 2025. He is automatically substituted as a party in his official capacity. See Fed. R. Civ. P. 25(d).

is currently reviewing and considering its positions on various agency actions, including the regulation at issue in this case. The Bureau respects this Court's ruling granting a preliminary injunction and considering plaintiffs' likelihood of success on the merits of their claims. Counsel for the Bureau have begun discussing with Plaintiffs' counsel potential ways to resolve this case. Based on those conversations, the Bureau is optimistic that an agreement can be reached within 30 days, but the parties require additional time to see if an agreed resolution is feasible. The Bureau accordingly respectfully requests that the Court stay all pending deadlines in this litigation and instruct the parties to file a joint status report within 30 days, if no resolution of the case has been reached before then.

DATED: March 12, 2025 Respectfully Submitted,

> MARK PAOLETTA Chief Legal Officer

STEVEN Y. BRESSLER Deputy General Counsel

<u>/s/ Stephanie B. Garlock</u>

STEPHANIE B. GARLOCK*

Counsel

D.C. Bar No. 1779629

JUSTIN M. SANDBERG*

Senior Counsel

Ill. Bar No. 6278377

JOSEPH FRISONE*

Senior Counsel

Va. Bar No. 90728

Consumer Financial Protection Bureau

1700 G St. NW

Washington, D.C. 20552

Stephanie.Garlock@cfpb.gov

Justin.Sandberg@cfpb.gov

Joseph.Frisone@cfpb.gov

(202) 435-7201 (Garlock)

(202) 450-8786 (Sandberg)

(202) 435-9287 (Frisone)

(202) 435-7024 (fax)

*Admitted pro hac vice

Counsel for Defendants the Consumer Financial Protection Bureau and Russell Vought

CERTIFICATE OF SERVICE

I hereby certify on March 12, 2025, a true and correct copy of this document was served electronically by the Court's CM/ECF system to all counsel of record.

/s/ Stephanie B. Garlock STEPHANIE B. GARLOCK