

Issue Update

Section 1033 of the Dodd-Frank Act gives consumers the right to access their financial records in a standardized electronic format, with some exceptions. Since this law's passage, an ecosystem of third-party apps operating through intermediaries known as data aggregators has proliferated by obtaining consumers' consent to access their data for use cases such as budgeting tools, income verification, and digital wallets.

The CFPB finalized a rule implementing 1033 during the latter days of the Biden-Harris Administration. It was immediately challenged in a lawsuit filed by a community bank, the Kentucky Bankers Association, and the Bank Policy Institute. A trade association representing fintechs and data aggregators, the Financial Technology Association, successfully intervened in May 2025. In July 2025, a new coalition of fintechs, retailers, and crypto emerged with an interest in preserving the current rule's fee prohibition and payment initiation feature (which would scale adoption of the [pay-by-bank](#) use case).

The CFPB changed its posture a few times but ultimately requested the litigation be stayed while it conducted an "accelerated rulemaking process" to "reconsider the Rule with a view to substantially revising it." However, for the time being the original compliance dates remain in effect other than a brief 90-day toll previously ordered by the court (see table below).

The CFPB issued an [Advanced Notice of Proposed Rulemaking \(ANPR\)](#) as a starting point, which solicits feedback on the current version of the rule (codified at [12 CFR Part 1033](#)). It asks questions around the definition of "consumer" and "representative acting on behalf of [the consumer]"; potential impact on fees on the defrayment of costs; information security and privacy concerns resulting from the exercise of 1033 rights; and compliance dates.

Other aspects of the current rule not directly addressed by the ANPR but which will continue to be in focus are: whether to include payment initiation in scope; ability to deny sharing requests due to risk management concerns; liability for data breaches and unauthorized activity; and the role of industry standard setters (such as the [Financial Data Exchange aka FDX](#), which currently connects over 114 million accounts via safe and secure APIs).

Why it Matters

Banks support their customers' ability to access and share their financial data in a secure, transparent manner that gives the customer control. Screen scraping is a dangerous practice that leaves consumers' credentials and account information subject to security risks and fraud, and it is important the industry adopt more secure data sharing methods. The market was solving for these factors; however, the CFPB's flawed 1033 rule puts consumer data at greater risk while imposing significant costs on banks.

Recommended Action Items

- **Urge the CFPB to fix the 1033 rule.** Respond to the [ANPR](#) to share information about the significant flaws in the current rule, including the lack of meaningful supervision for data aggregators and the largest fintech companies.

- **Mature data governance and set strategy.** Regardless of the status of the rule, banks must know where their data is, ensure its accuracy and integrity, and verify associated legal and contractual terms. They should also set their strategy for APIs and for receiving data.
- **Join ABA’s 1033 / Data Aggregation Working Group.** The process to revise the existing 1033 will be arduous and complicated, and ABA is here to help your bank engage and understand.

Compliance Dates for Banks under the [current version of CFPB’s Final 1033 Rule](#) (still effective as of September 8, 2025):

Bank Asset Size*	Initial Compliance Date
At least \$250 billion	July 1, 2026**
At least \$10 billion but less than \$250 billion	July 1, 2027**
At least \$3 billion but less than \$10 billion	July 1, 2028**
At least \$1.5 billion but less than \$3 billion	July1, 2029**
More than \$850 million but less than \$1.5 billion	July 1, 2030**
\$850 million or less	Data provider requirements do not apply (but third party requirements do if the bank engages in this activity)

*Total assets are determined by averaging the assets reported on its 2023 third quarter, 2023 fourth quarter, 2024 first quarter, and 2024 second quarter call report submissions to the Federal Financial Institutions Examination Council [there are also provisions for merger or acquisition situations].

**While [12 CFR 1033.121\(b\)](#) uses the month of April for the respective years, Judge Danny C. Reeves of the Eastern District of Kentucky tolled the initial compliance dates for a total of 90 days in rulings regarding *Forcht Bank, NA et al v. Consumer Financial Protection Bureau et al*. The litigation is now stayed. The CFPB says it will commence accelerated rulemaking by the end of August 2025. It is possible these compliance dates will be pushed farther out by the court or by the CFPB.