

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." In October 2025, the court [enjoined the CFPB](#) from enforcing the Biden-era rule.

The CFPB issued an [Advance Notice of Proposed Rulemaking \(ANPR\)](#) as a starting point of the revision, soliciting 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 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 130 million accounts via safe and secure APIs). We are currently awaiting the next step from the CFPB, which is expected imminently.

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

- **Respond to future comment opportunities for the 1033 rule.** The CFPB will re-propose the 1033 rule imminently; banks must be prepared to provide feedback when prompted. Banks should also consider asking the prudential agencies to clarify expectations for safeguarding permissioned data.
- **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.