

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 will 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 intends to issue an Advanced Notice of Proposed Rulemaking (ANPR) as a starting point, which will likely solicit feedback on the current version of the rule to determine areas of potential improvement. Please refer to the codified version of the regulation at [12 CFR Part 1033](#).

A central question going forward will be the scope of the rule and whether it primarily focuses on consumers themselves or the broader network of third-party companies seeking access to their information. Other aspects of the rule that will likely take center stage are: the ability for data providers to charge third parties fees to access the developer interface, whether to include payment initiation, ability to deny sharing requests due to risk management concerns, limitations on secondary use of consumer personal information, liability for data breaches and unauthorized activity, 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), and the permissibility of screen scraping.

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 for 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.

Compliance Dates for Banks under the [current version of CFPB’s Final 1033 Rule](#) (still effective as of August 6, 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.