



**Josh Kaul**  
Wisconsin Attorney General

**P.O. Box 7857**  
**Madison, WI 53707-7857**

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**NEWS FOR IMMEDIATE RELEASE**

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**AG Kaul and Coalition Sue Trump Administration Over Efforts to Defund  
Consumer Financial Protection Bureau**

MADISON, Wis. – Attorney General Josh Kaul today is announcing that Wisconsin has joined a coalition of states [suing](#) the Trump administration to stop the defunding of the Consumer Financial Protection Bureau (CFPB). The CFPB’s acting director, Russel Vought, is attempting to defund the agency by refusing to request any funding from the Federal Reserve. Without funding, the agency will likely run out of money in January 2026. CFPB has returned more than \$21 billion improperly taken from over 205 million Americans throughout its 14-year existence.

The coalition argues that defunding CFPB will have devastating impacts on consumers and disrupt states’ consumer protection efforts, which rely on receiving consumer complaints and data from CFPB.

“The Consumer Financial Protection Bureau helps stop unlawful financial practices and helps people get their money back when they’re harmed,” said AG Kaul. “Defunding this agency would make it easier for financial institutions to get away with breaking the rules.”

Established in the wake of the Great Recession, CFPB is an independent agency funded entirely by the Federal Reserve and focused on regulating financial institutions and products to protect consumers. In addition, CFPB is the only federal agency authorized to supervise the nation’s largest banks for their compliance with consumer financial protection laws.

Beyond its own consumer protection actions, CFPB is legally mandated to provide information to states to aid states' own consumer protection efforts. States rely on consumer complaints from CFPB to investigate wrongdoing, secure refunds and restitution for consumers, and support their own litigation against financial institutions.

In November, Vought took the unprecedented position that the agency may be funded only from the Federal Reserve's "profits," rather than its "combined earnings," as federal law provides. On that basis, Vought declined to request any funding from the Federal Reserve in CFPB's most recent budget request, making it all but certain that CFPB will run out of funding in January 2026.

The coalition argues that Vought's decision not to seek any funding for CFPB is unlawful and unconstitutional. AG Kaul and the coalition are seeking a court order preventing the administration from carrying out its decision not to request any funds for CFPB and ordering the agency to request funding from the Federal Reserve to fulfill its duties as required by the law.

Joining AG Kaul in filing this lawsuit are the attorneys general of Arizona, California, Colorado, Connecticut, Delaware, Hawaii, Illinois, Maine, Maryland, Massachusetts, Michigan, Minnesota, Nevada, New Jersey, New Mexico, New York, North Carolina, Oregon, Rhode Island, Vermont, and the District of Columbia.