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FACT SHEET

Veterans Day 2026: Another Year The CFPB Failed Military Families

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November 10, 2026

Introduction

Last Veterans Day, Better Markets urged the Trump Administration to honor our nation's service members, veterans, and families by strengthening the Consumer Financial Protection Bureau (CFPB) rather than destroying it. As we stated last year, military families are disproportionately targeted by financial scams and financial predators; this year has been no different. In the first half of 2026, service members and their dependents reported losing $370 million to fraud. Through October 2026, they filed over 86,000 complaints with the CFPB. These figures reflect underlying financial vulnerability and distress: in 2025, 25% to 40% of military families faced food insecurity.

Since last year, rather than strengthening the CFPB in response to the financial distress of military families, the Trump Administration has made further attempts to eliminate the CFPB. When courts blocked those efforts, CFPB leaders proposed shrinking the agency to render it ineffective.

The CFPB's treatment of service members reflects the agency's approach to actually protecting consumers. Numerous sources show that in 2026, military families have continued to suffer financial harm at high rates. Hundreds of thousands of complaints or reports of fraud or financial injury have been filed with the CFPB and the Federal Trade Commission (FTC). Non-profit military relief societies help thousands of military families but can only help a fraction of those in need.

In response to this abundant evidence of the financial distress of military families, the CFPB professed to prioritize service members and their families, but in fact has done little to help them:

- **The CFPB conducted fewer exams of fewer companies**, made exams more lenient, and stopped examining companies for compliance with the Military Lending Act entirely;
- **The CFPB announced no new enforcement actions in 2026** at all, and settled two cases involving service members by reducing relief for consumers (all this while private attorneys and even the Department of Justice remain active in helping military families); and
- **The CFPB made only token efforts to provide education and training** on military consumer law despite making it the centerpiece of its efforts to protect service members.

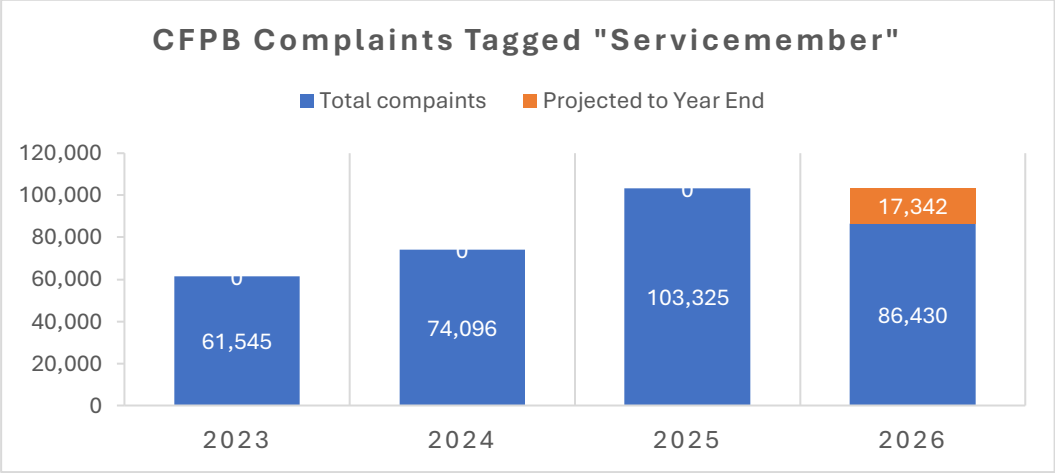
CFPB, FTC databases, and military relief data show that military families are experiencing financial harm

There is no single definitive source of comprehensive data on the financial status of military families. Combining several different sources of data, however, can provide a rough sense of the scale and direction of financial harm suffered by military families. These indicators suggest an overall increase in financial harm to service members and their dependents since 2025.

CFPB: consumer complaints from military families remain high in 2026

Data from the CFPB's consumer complaint database suggests that military families are suffering widespread harm that has become more frequent during the current administration.

In the first 10 months of 2026 (through October 31), the CFPB published 86,430 complaints tagged "servicemember."[1] This implies an annual complaint volume for 2026 of 103,772, or an additional 17,342 complaints for the remainder of 2026). This is roughly the same as in 2025 (103,325), 40% higher than in 2024 (74,096), and 69% higher than in 2023 (61,545):



Source: CFPB Consumer Complaint Database

Complaint volume also increased across most product categories. Complaints about products salient to service members (debt collection, mortgages, vehicle loan or lease, payday loans, and student loans) nearly doubled from 2023 through 2026:[2]

[1] This may undercount the actual number of filed complaints from service members, who may not always self-identify as service members when filing CFPB complaints. They may regard such complaints as self-incriminating evidence of financial problems, which were in fact the single most common reason identified in clearance denials appeals before the Defense Office of Hearing Appeals.

[2] Credit reporting complaints are the single largest driver of total volume to the CFPB (from about 1 million in 2023 to 5.6 million so far in 2026), but this was not true for service members: their credit reporting complaints increased about 29% from 2024 (49,468) to 2025 (64,036) and remained steady in 2026 (53,344 through October 31, which would be 64,048 on an annualized basis),

CFPB complaints tagged "service member" by selected product					
	2023	2024	2025	2026 1/1 - 10/31	*2026 Projected*
Debt collection	6,031	8,185	12,337	8,943	*10,737*
Mortgage	3,070	2,640	3,496	4,296	*5,158*
Vehicle loan/lease	1,373	1,384	2,180	2,272	*2,728*
Payday	898	1,058	1,415	1,640	*1,969*
Student Loan	760	1,103	1,518	1,309	*1,572*

Source: CFPB Consumer Complaint Database

Notably, the volume of *published* complaints (i.e., vetted by CFPB) from service members appears steady despite efforts by CFPB leadership to make consumer complaints more difficult to file. From January 2025 to October 2026, the CFPB published between 8,000 to 9,000 complaints most months; in the preceding two years, the agency published 5,000 to 7,000 complaints per month.

In August 2026, the CFPB also removed narratives and data visualization from the complaint database, asserting that "the utility of such publication is minimal, while often causing confusion and providing misleading data." As Better Markets explained, these changes actually enable the industry to hide tricks and traps from the public to extract more fees from consumers.

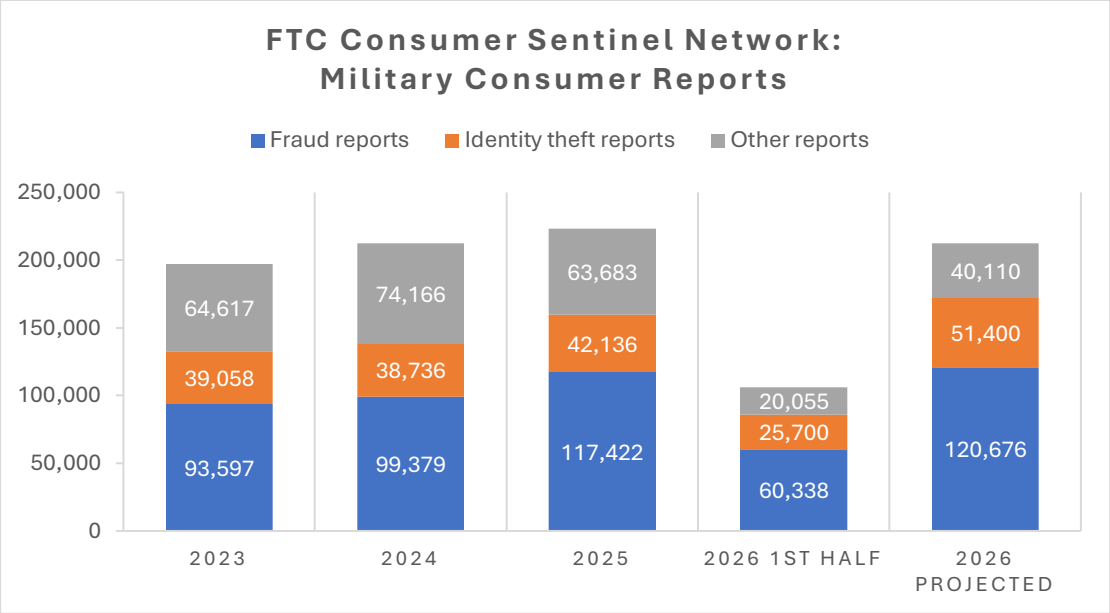
Despite these attempts to suppress complaints and reduce visibility into CFPB complaints, CFPB data appears to show a steady increase in financial harm to military families.

FTC: fraud and identity theft reports from military families increase in 2026

Another measure of harm to military families is data from the FTC Consumer Sentinel Network database, a compilation of reports from various sources used by the public and law enforcement.

The total dollar value of fraud losses suffered by military families has only increased since Better Markets addressed this issue last year. In 2025, military consumers suffered $684 million in fraud losses, a 17% increase from the $584 million total reported in 2024. In the first half of 2026, military consumers suffered fraud losses of $370 million. On an annualized basis, this implies a total of $740 million in fraud losses to military families in 2026, an 8% increase over 2025.

The FTC Sentinel listed total number of reports from military consumers has stayed roughly the same, from 223,241 in 2025 to 106,093 in the first half of 2026, implying a total of 212,186 for all of 2026. However, as the table below indicates, specific reports of fraud and identity theft by military consumers appear to be increasing from 2025 to 2026 projections based on 2026 half-year totals. The decline in "other" reports, according to Money magazine, was the "result of the CFPB and FTC quietly severing a longstanding data-sharing relationship for credit reporting complaints" in 2025.



Source: FTC Consumer Sentinel Network,
("Military Stats" and Military Top Reports" pages on Tableau)

Surveys show extensive financial distress that relief societies only partially address

Military families have had persistent difficulties making ends meet. USDA data from 2018 and 2020 show higher food insecurity for military families (25%) than for civilian families (10%). A Blue Star Families survey suggests recent increases in food security among military families: 28% in 2025 vs. 16% in 2023. An MFAN puts food insecurity among military families at 40% in 2025.

To help these families, non-profit military relief societies (supported solely by voluntary donations) provide financial aid to service members and their families in the form of low- or interest-free loans and outright grants. The Navy-Marine Corps Relief Society (NMCRS) provides detailed information on its relief efforts, most of which focus on helping tens of thousands of service members with basic living expenses. In 2025, the NMCRS provided $44.5 million in interest-free loans and $2.7 million in outright grants to 42,804 service members. NMCRS provided over 21,000 service members with basic living expenses (food, lodging, utilities, and household setup), and 12,456 with help paying transportation-related costs (car repairs, car insurance, car payments, and rentals). This is roughly consistent with the aid it provided in 2023 and 2024.

Relief societies for other service branches provide less granular data. In both 2024 and 2025, Army Emergency Relief (AER) provided over $60 million in aid to over 31,000 service members and dependents, mostly interest-free loans and grants to cover basic living expenses. In 2025, the Air and Space Forces Aid Society provided $11 million to 12,000 individuals, and Coast Guard Mutual Assistance provided $12 million to 4,000 families. Altogether, these societies provided roughly 89,000 service members with over $127 million in relief.

While these societies serve tens of thousands of service members and dependents, these relief societies cannot serve all families in need. In May 2026, AER reported that it aided just 6.5% of

those in the Army. Given that 25 to 40% of military families are experiencing food insecurity and may need aid, families not served by relief societies must turn to other sources, including private and often high-cost loans (as CFPB complaint volumes above suggest), to make ends meet.

Despite abundant evidence of widespread financial harm to military families, the CFPB has done almost nothing

Since early 2025, though current leadership has tried to destroy the CFPB, they have paid lip service to emphasize the importance of service members and their families as a key agency priority. The CFPB's actions, however, suggest the agency does not value service members.

Staffing. In April 2025, the CFPB fired 90% of its staff; in the process, it apparently fired all the employees in its Office of Service Member Affairs (OSA); in other divisions, it had targeted veterans to be fired first. (A federal court reversed the firings the next day.) In March 2026, the CFPB submitted a revised plan to fire nearly 70% of the CFPB workforce to the court. The plan would still drastically cut the number of OSA employees, reducing OSA's umbrella division of Consumer Populations from 33 employees to nine. The CFPB reasoned that OSA can be "heavily supported by other divisions and thus can be significantly streamlined to focus on [its] statutory functions." OSA employees who remain will serve a limited and anodyne mission, to provide "the best quality information to service members and their families" and coordinate with other divisions.

Supervision. The CFPB stated that for its 2026 examinations it would "focus its supervision resources on pressing threats to consumers, particularly service members and their families, and veterans, and in the areas that are clearly within the Bureau's statutory authority."

There is no public evidence that the CFPB has, in fact, focused its supervisory resources on service members and their families. The CFPB appears intent on conducting less frequent and more lenient examinations on fewer institutions with fewer examiners:

- Fewer examinations: The CFPB has stated that it will reduce its examination cadence.
- Easier exams: Reporting indicates that the CFPB has been lenient with the few companies that have been examined.
- Fewer examiners: The CFPB still appears intent on reducing the number of examiners from 276 to 75 (after illegal attempts to fire all examiners).
- Fewer institutions to examine: As we stated before, the CFPB has proposed rules to greatly reduce the number of auto lenders and debt collectors subject to regular CFPB exams; both industries have caused military families difficulties in the past.

All of this is problematic because examinations are critical to ensuring compliance with military consumer laws. Service members and their dependents often are not aware of the heightened protections they receive under the Servicemembers Civil Relief Act (SCRA) and MLA; and, just as often, financial institutions do not know which consumers are covered by the SCRA and MLA.

The result is massive underutilization of the protections of these laws. For instance, a 2022 CFPB study suggests that less than 10% of their auto loans and 6% of their personal loans of active-duty service members were subject to the 6% interest rate cap SCRA requires, a loss of $100 million in savings they were entitled to over an 11-year period. A private survey in 2019 suggests that 38% of military families are aware of the SCRA but less than 30% seek its protections, and that lower-ranking service members (at lower pay grades more likely to suffer financial distress) are even less likely to know of the SCRA. The DOJ cases brought to enforce the SCRA and private litigation to enforce the MLA only cover a fraction of service members eligible for SCRA's protections. Robust supervision of the many financial institutions the CFPB is authorized to examine is the only way to ensure that most service members get the full protection of the MLA and SCRA.

Enforcement. The CFPB stated in its semi-annual report that it "has continued to diligently prosecute and bring only those cases that were consistent with the CFPB's new priorities, including actions with identifiable consumer harm, fraudulent fees, or harm against servicemembers and their families, and veterans."

The CFPB's actual enforcement record on behalf of service members is meager:

- Since early 2025, the CFPB has announced no new investigations and has brought no new lawsuits to enforce the MLA or to protect service members specifically.
- Since early 2025, the CFPB has brought only one new enforcement case of any kind.
- From mid-2025 to mid-2026, the CFPB closed 17 enforcement cases, withdrew civil investigative demands, and closed 40% of its investigations.
- None of the five CFPB enforcement cases that are still outstanding appear to involve service members, the MLA, or the SCRA.
- Since early 2025, the CFPB entered into three settlement agreements to close servicemember cases brought under the previous administration. Better Markets discussed the FirstCash settlement last year. In the other two settlements, the CFPB appeared to collude to help defendants and reduce consumer relief:
    - In November 2025, the CFPB settled a case against MoneyLion by simply conceding a major issue: the CFPB stipulated that MoneyLion's monthly membership fee was not a finance charge, and MoneyLion could keep charging it with impunity. Before settling, the CFPB alleged that MoneyLion's monthly fee caused its loans to exceed the MLA's 36% cap. A law firm has warned other lenders about following MoneyLion's example, as the CFPB's position on membership fees was "inconsistent with the plain language of the regulation."
    - In December 2025, a court granted a request by the CFPB and the student loan servicer defendants in an enforcement case to revise a 2024 settlement. The CFPB stated that the motion "narrowed the prospective and injunctive provisions of the stipulated judgments, retaining only the civil money penalties and certain redress

obligations related to borrower requests for Servicemembers Civil Relief Act protections." What the CFPB touted as a victory for service members actually deprived consumers who were not service members of relief.

The CFPB's failure to bring any new cases to protect military families is not a given during the Trump Administration.

- The Department of Justice's Civil Rights Division continues to enforce the SCRA despite changing nearly all its other enforcement priorities. Since February 2025, the division settled 15 SCRA cases, obtaining nearly $5 million in redress and $600,000 in penalties on behalf of several thousand service members, and even filed two new SCRA cases in 2026.
- Private attorneys have, in 2025 and 2026, brought an abundance of cases to enforce the MLA: 13 class actions against earned wage access providers and four class actions against tax refund advance for providers on behalf of military families. All these cases, as of this writing, have survived motions to dismiss by financial institutions. All of these are cases that the CFPB has authority to investigate and pursue but is not.

Financial Education. In its recent semi-annual report, the CFPB touted as one of its "significant initiatives" for service members an effort to engage with "federal, state, and local agencies" to perform "educational outreach in support of statutory requirements to educate and empower servicemembers and their families to make better informed decisions regarding consumer financial products and services."

The actual work to advance this "significant initiative" was lackluster: according to the CFPB, its educational outreach efforts consisted of three visits to a single airbase near Washington, DC, several other meetings with other military and civilian agencies to train them on military consumer law, and a revision of the CFPB website for service members.

Conclusion

Since early 2025, one of the few priorities current CFPB leadership identified was protecting service members and their dependents. After two years, the agency's record in acting on this priority is unfortunate. The CFPB has done little to protect military families from financial distress and injury. When it has acted, it has been to the detriment of service members.

It is imperative that the CFPB leadership acknowledge the depth and breadth of the financial problems facing military families and vigorously use all the tools at the agency's disposal to protect service members and their dependents from financial exploitation.

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