



Regulatory Reversal: CFPB's Withdrawal of Interpretive Guidance and Its Impact on the Rental Screening Industry

May 12th, 2025 | and [Mark D. Metrey](#)

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On May 9, 2025, the Consumer Financial Protection Bureau (CFPB) formally withdrew dozens of interpretive rules, policy statements, advisory opinions, bulletins, and circulars issued over the past decade. In a [sweeping notice published in the *Federal Register*](#), the Bureau stated it was rescinding these guidance materials to reduce regulatory burdens, address prior overreach, and re-anchor its enforcement approach in statutory text. While the withdrawal is far-reaching, it carries particularly significant implications for businesses governed by the Fair Credit Reporting Act (FCRA) and Fair Debt Collection Practices Act (FDCPA), including tenant screening companies and landlords that rely on consumer reports in rental decisions.

The CFPB justified its move on three grounds, as outlined in its May 2025 Federal Register notice: “(1) whether the guidance is statutorily prescribed, (2) whether the interpretation therein is consistent with the relevant statute or regulation, and (3) whether it imposes or decreases compliance burdens.” In withdrawing the guidance, the Bureau emphasized that prior advisory materials often created de facto obligations beyond statutory authority and contributed to regulatory uncertainty. The new approach prioritizes a return to notice-and-comment rulemaking and formal adjudications for developing binding obligations, signaling a broader deregulatory shift under the current administration.

Pulling Back the Curtain: What Was Withdrawn Under the FCRA and FDCPA

Among the rescinded guidance are several high-profile documents that had previously shaped compliance expectations in tenant screening. The Bureau withdrew advisory opinions on (1) “Permissible Purposes for Furnishing, Using, and Obtaining Consumer Reports” (87 FR 41243), (2) “Fair Credit Reporting; Background Screening” (89 FR 4171), (3) “File Disclosure” obligations (89 FR 4167), and (4) “Name-Only Matching Procedures” (86 FR 62468). Together, these documents had provided key interpretations of the FCRA’s scope and application, particularly for tenant screening agencies (CRAs) and landlords using consumer reports.

For example, the 2021 name-only matching advisory opinion cautioned against furnishing reports based solely on a first and last name match—an industry practice especially common in public records screening. The opinion argued such practices violated the FCRA’s requirement that CRAs “follow reasonable procedures to assure maximum possible accuracy” (15 U.S.C. § 1681e(b)). Similarly, the 2024 background screening advisory opinion addressed the obligation of consumer reporting agencies under § 1681e(b) to follow reasonable procedures to assure maximum possible

accuracy in background screening reports, highlighting recurring issues such as the inclusion of expunged or sealed records, omission of disposition information, and reporting of duplicative or outdated public record data.

Also withdrawn were circulars and bulletins related to FDCPA compliance, such as the 2024 “Deceptive and Unfair Collection of Medical Debt” (89 FR 80715), the 2023 “Time-Barred Debt” (88 FR 26475), and the 2022 guidance on “Pay-to-Pay Fees” (87 FR 39733). These documents had emphasized that debt collectors may violate the FDCPA when they pursue inaccurate or expired debts or charge unauthorized fees, regardless of consumer consent or the collector’s intent. In rental housing, such issues often arise when landlords or property managers engage third-party collectors for unpaid rent or fees.

Concrete Impacts on the Rental and Screening Ecosystem

The immediate effect of the CFPB’s rescission is a rollback in perceived enforcement risk. Without the guiding force of these interpretations, tenant screening companies and landlords may feel emboldened to return to practices previously criticized by the Bureau, such as name-only matching, broad background data usage, and more aggressive fee structures in debt collection. However, the absence of guidance does not nullify statutory obligations. The FCRA and FDCPA remain fully in effect, and plaintiffs’ attorneys may now litigate issues that had once been addressed through informal CFPB channels.

State regulators—especially in jurisdictions with robust consumer financial protection laws or ‘mini-CFPBs’—are likely to step into the void. Many state attorneys general are already active in regulating tenant screening practices. The CFPB’s withdrawal may embolden these state actors to issue their own guidance or pursue independent enforcement actions under state analogues to the FCRA and FDCPA, or under general consumer protection statutes. For multi-state landlords and national screening agencies, this raises the specter of fragmented and inconsistent compliance requirements.

The withdrawal may also impact the evidentiary weight of past CFPB guidance in court. While courts were never bound to adopt the Bureau’s advisory opinions, they often cited them as persuasive authority. Now, litigants relying on those interpretations may face renewed challenges in asserting what constitutes “reasonable procedures” under the FCRA or “unfair or unconscionable means” under the FDCPA.

Looking Ahead: Navigating a Post-Guidance World

For compliance officers and in-house counsel, the CFPB’s withdrawal offers both relief and uncertainty. On one hand, companies may benefit from the suspension of enforcement tied to expansive interpretations not grounded in the FCRA or FDCPA’s plain text. On the other hand, this regulatory change shifts enforcement responsibility to the states, creating potential compliance challenges due to varying legal standards and regulatory priorities across jurisdictions. As a result, landlords and property managers must now assess the regulatory framework in each jurisdiction they provide services.

Ultimately, today’s rescission underscores the fragility of compliance frameworks built on informal agency guidance. As the CFPB pares back its overreaching role in day-to-day compliance interpretation, statutory text, regulatory rulemaking, and judicial precedent become the primary sources of legal risk and compliance guidance for landlords, property managers, and tenant

screening firms.