

Wiley Consumer Protection Download (August 12, 2025)

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Welcome to Wiley's update on recent developments and what's next in consumer protection at the Federal Trade Commission (FTC), Consumer Financial Protection Bureau (CFPB), and at the state level.

Wiley has also launched a Trump Administration Resource Center and Resource Guide to track Executive branch priorities during the second Administration of President Trump. With Wiley's deep-rooted understanding of Washington and today's evolving regulatory landscape, the Resource Center and Resource Guide provide critical insights, actionable intelligence, practical solutions, and guidance across key industries to help businesses stay ahead of the curve and manage challenges in 2025 and beyond. Please reach out to any of our authors with any questions about recent Trump Administration actions and the potential impact on regulations or enforcement activity.

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Federal and State Regulatory Announcements

CFPB Seeks Comment on New Thresholds for Larger Participants in the Automobile Financing, Consumer Reporting, International Money Transfer, and Debt Collection Markets. On **August 8**, the CFPB issued four advance notices of proposed rulemaking (ANPR)

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Practice Areas

Cyber and Privacy Investigations, Incidents & Enforcement
FTC and Consumer Protection
Privacy, Cyber & Data Governance
Telecom, Media & Technology

that seek comment on raising the thresholds for defining larger participants in the markets for automobile financing, consumer reporting, international money transfer, and debt collection. The Consumer Financial Protection Act authorizes the CFPB to define larger participants in markets for consumer financial products or services, and to supervise larger nonbank entities subject to the law to assess compliance with federal consumer financial laws, obtain information about such entities' activities and compliance systems and procedures, and detect and assess risks to consumers and consumer financial markets.

If adopted, the heightened thresholds would significantly reduce the number of nonbank entities subject to supervision in each of the markets discussed above. Comments on the ANPRs are due **September 22**.

FTC Releases Data Spotlight on Impersonation Scams. On **August 7**, the FTC's Division of Consumer Response & Operations Staff released a data spotlight entitled "False alarm, real scam: how scammers are stealing older adults' life savings." According to the spotlight, from 2020-2024, reports from older adults who have lost \$10,000 or more to scammers that impersonated government agencies or businesses increased four-fold. Similarly, combined losses reported by older adults who lost more than \$100,000 to impersonation scams increased eight-fold, from \$55 million in 2020 to \$445 million in 2024. The FTC reported that the most frequent tactics used in impersonation scams involve fabricated alerts about fraudulent online account use, use of a user's information to commit crimes, or security issues with a computer.

Illinois AG Issues Consumer Alert Regarding Back-To-School Scams. On **August 6**, the Illinois Attorney General (AG) issued a consumer alert regarding common scams targeting students returning to school and their families. These include scams to trick consumers into paying for services or items they will likely never receive or sharing personal data that scammers can use for identity theft. The consumer alert also provides resources for detecting and preventing scams.

California AG Issues Consumer Alert Regarding Scams Targeting the Military Community. On **July 31**, the California AG issued a consumer alert regarding common scams targeting the military community, which include charity scams, claims made by for-profit schools, home loan scams, identity theft and fraud, job scams, pension scams, affinity group fraud, unlawful debt collection practices, rental housing scams, and predatory auto sales and financing practices. The consumer alert also provides resources for detecting and preventing scams.

Select Federal Enforcement Actions

FTC Settles with Business Opportunity Companies and their Owners for Allegedly Deceptive Advertising. On **July 30**, the FTC filed a stipulated order in the U.S. District Court for the District of New Jersey settling alleged violations of the FTC Act and Business Opportunity Rule by several companies that sell business opportunity programs and their two owners. In the June 2024 complaint, the FTC alleged that the defendants advertised online business opportunities run by AI to generate large profits, but few customers gained such profits. The court granted the FTC's request for a temporary restraining order against all defendants on **June 3**. One defendant agreed to a stipulated preliminary injunction on **August 8, 2024**. The remaining defendants have agreed to a \$15.7 million judgment in addition to injunctive relief.

FTC and Nevada AG Settle with Investment Training Company and Its Salespeople for Allegedly

Deceptive Business Practices. On **August 7**, the FTC and Nevada Attorney General filed a stipulated order in the U.S. District Court for the District of Nevada settling alleged violations of the FTC Act, Telemarketing Sales Rule, the Restore Online Shoppers' Confidence Act, and Nevada's deceptive trade practices statute by an investment training company and two individual defendants. In the May 2025 complaint, the FTC and Nevada AG alleged that the defendants deceived consumers in claiming to provide training on investing and other financial topics for monthly fees and marketing their products as easy ways to make money, but had salespeople serve as the educators for these trainings and did not have records of customers successfully using these trainings to make money. Three of the defendants have agreed to pay \$36 million in addition to injunctive relief.

FTC Settles with PPP Marketer for Alleged Violations of a 2023 Order. On **August 7**, the FTC filed a

stipulated order in the U.S. District Court for the Middle District of Florida against a PPP marketer for alleged violations of a 2023 court order (2023 Order) which resolved claims of violations of the Mail Order Rule, the FTC Act, and the COVID-19 Consumer Protection Act. The FTC's June 2021 complaint alleged that the defendant failed to notify consumers of delayed shipments, failed to offer cancellations and refunds as required by the FTC's Mail Order Rule, and failed to honor refund requests so that consumers could buy offered products elsewhere. The 2023 Order entered a permanent injunction against the defendant and required the defendant to pay a \$992,000 monetary judgment. The defendant allegedly failed to comply with the monetary judgment, and the stipulated order requires the defendant to cooperate in turning assets over to the FTC.

Select State Enforcement Actions

Colorado AG Sues Pet Care Retailer for Alleged Deceptive Training Program. On **July 29**, the Colorado AG filed a complaint in the Denver District Court against a pet care retailer for alleged violations of the Colorado Consumer Protection Act and the Colorado Restrictive Employment Agreements Act. The Colorado AG alleged that the retailer falsely advertised its training program as free without disclosing information about training repayment provisions that required associates to stay with the company for at least 2 years or risk paying up to \$5,500 in training costs. The Colorado AG is asking the court to bar the company from the unlawful use of training repayment provisions, to forbid the company from collecting any money owed from existing training repayment provisions, to pay fines to the state, and to pay the state's legal costs.

New York AG Settles with Gym for Allegedly Making Memberships Difficult to Cancel. On **August 4**, the New York AG announced a settlement with a gym that allegedly violated New York law by failing to register with the state, failing to provide customers with written membership contracts, and instituting policies that prevented customers from canceling their memberships. The settlement requires the gym to refund affected customers, pay a \$5,000 penalty, and modify its membership cancellation policies.

Maryland AG Settles with Cash Advance Provider for Alleged Predatory Lending Practices. On **August 6**, the Maryland AG announced a settlement with a lender that allegedly violated Maryland's Consumer Protection Act and lending laws by providing cash advances to individuals with an unverified claim as an heir

to an estate, in exchange for all or part of their future inheritance once the estate was settled and distributed. The defendant agreed to pay nearly \$2.7 million in restitution and \$275,000 to the Consumer Protection Division of the AG's Office in addition to injunctive relief.

Anti-Robocall Litigation Task Force Sends Warning Letters to 37 Voice Service Providers. On **August 7**, the Anti-Robocall Litigation Task Force sent warning letters to 37 voice service providers, cautioning the companies that their practices may violate state and federal consumer protection and telemarketing laws. The Anti-Robocall Litigation Task Force was formed in 2022 and is comprised of 51 Attorneys General. The Task Force was created to investigate and take action against companies allegedly responsible for illegal and fraudulent robocall traffic routed into and across the U.S.

Massachusetts AG Settles with Mortgage Loan Servicer for Alleged Violation of Debt Collection and Foreclosure Prevention Rules. On **August 7**, the Massachusetts AG announced a settlement with a residential mortgage loan servicer for alleged violations of the Massachusetts Consumer Protection Act, a Massachusetts foreclosure prevention law, and state debt collection regulations. The Massachusetts AG alleged that the mortgage servicer failed to conduct an affordability analysis before entering into loan modifications, send timely responses to loan modification applications, and send timely debt validation notices. The AG also alleged that the defendant made thousands of debt collection calls to consumers in violation of the state regulatory limit of two debt collection calls per week. The defendant agreed to pay \$2 million in addition to injunctive relief.

Upcoming Events and Comment Deadlines

FTC Seeks Comments Regarding Gender Affirming Care for Minors. On **July 28**, the FTC issued a request for information regarding potential unfair or deceptive trade practices in gender-affirming care for minors. Comments are due by **September 26, 2025**.

More Analysis from Wiley

Chambers USA 2025 Recognizes Wiley Partners and Practices

FTC Consumer Protection and Privacy Enforcement Series: Practical Tips for When Your Company Gets an FTC CID

Cyber Regulatory Harmonization: The Prospects and Potential Impacts of Current Efforts

White House Launches AI Action Plan and Executive Orders to Promote Innovation, Infrastructure, and International Diplomacy and Security

With "Click-to-Cancel" Rule Now Vacated by 8th Circuit, What's Next for FTC?

Update: Enforcement of DOJ Data Security Program Set to Begin July 9

Building a Digital Asset Regulatory Framework: The GENIUS Act and Next Steps

Texas Responsible AI Governance Act Enacted

FTC Reviews Its Approach to Kids' Online Activity – What Comes Next?

FTC Sends Warning Letters to 37 Eyeglass and Contact Lens Prescribers Over Possible Rule Violations

Privacy, AI, and Consumer Protection Takeaways from FTC Chairman's House Testimony

Webinar: Navigating FTC Health Care Advertising and Privacy Compliance in the Trump Administration: Key Insights for Health Service Providers

State Privacy Enforcement Ramp-Up Continues with New Actions in California and Texas

Executive Order on Ticket Resale Market Calls for Greater FTC Enforcement

What to Expect from New FTC Leadership on Digital Health Care

FTC Adopts Amended Children's Online Protection Act Rule

FTC Announces Rule on "Junk Fees" and Pricing Disclosures in Certain Industries

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