

# Wiley Consumer Protection Download (January 6, 2026)

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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), the Consumer Financial Protection Bureau (CFPB), and the state level. Check out our new State Consumer Protection Series, where we provide practical insights into emerging trends and priorities at the state level. Recent posts include 2025 State AG Robocall Enforcement Trends: Targeting of VoIP Service Providers Continues, With Coordinated AG Scrutiny of "Intermediate" Providers; Expanding Patchwork of State "Junk Fees" Laws Presents Compliance Challenges; and Automatic Renewals and Risks: State Negative Option Laws and Enforcement Are Trending. Wiley has also launched an FTC Consumer Protection and Privacy Enforcement Series and Trump Administration Resource Center to provide practical insights into emerging FTC and Executive branch priorities. Please reach out to any of our authors with any questions about recent regulatory or enforcement activity on the federal or state level.

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## Federal and State Regulatory Announcements

**CFPB Issues Advisory Opinion Regarding Regulation Z Application to Earned Wage Access Products.** On **December 23**, the CFPB issued an advisory opinion (AO) regarding the applicability of

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## Practice Areas

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

Regulation Z, which implements the Truth in Lending Act (TILA), to earned wage access (EWA) products. EWA products allow workers to access their earned but not yet paid wages in advance of normally scheduled paychecks. In November 2020, the CFPB issued a previous advisory opinion stating that a provider of a “Covered EWA” program did not offer or extend “credit” within the scope of the TILA and Regulation Z. The 2020 opinion stated that “Covered EWA” programs include those that meet all of the following criteria: “it is employer-partnered; the amount accessed by the employee does not exceed accrued wages; accessing EWA is free for the employee; the provider has no recourse against the employee if an employer-facilitated deduction from the next paycheck is insufficient, and engages in no debt collection or credit reporting activity; and the provider does not assess the credit risk of employees.” The December 2025 AO re-affirms that Covered EWA is not credit under Regulation Z and further states that, to the extent that any EWA product involves credit under Regulation Z, expedited delivery fees and tips are not finance charges under Regulation Z.

**FTC Releases Data Spotlight on Rental Scams.** On **December 22**, the FTC released a Consumer Protection Data Spotlight regarding rental scams where individuals create fake rental listings to solicit money, credit scores, or personal information from potential renters under false pretenses. According to the agency, consumers have reported nearly 65,000 rental scams with \$65 million in losses since 2020. The Data Spotlight provides tips and resources for detecting, avoiding, and reporting scams.

## Select Federal Enforcement Actions

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**FTC and DOJ Finalize Settlement with Entertainment Company for Alleged Violations of COPPA.** On **December 23**, the Central District of California federal court approved a stipulated order settling allegations between the U.S. Department of Justice (DOJ), on behalf of the FTC, and an entertainment company for alleged violations of the Children’s Online Privacy Protection Act (COPPA). In September 2025, DOJ and the FTC alleged that the company failed to mark its content as “Made for Kids” when it uploaded its videos to YouTube and that the failure to make that distinction allowed the company to collect personal data from children under 13. The company agreed to pay a \$10 million civil penalty in addition to changing its policies for uploading such content and other injunctive relief.

**FTC Sets Aside Final Consent Order Over Alleged Misuse of AI-Generated Consumer Reviews.** On **December 22**, the FTC issued an order to reopen and set aside a December 2024 Final Consent Order which settled allegations that a company violated Section 5 of the FTC Act by offering an AI-enabled writing assistance service that could generate numerous inaccurate reviews and by providing a means to deceive consumers through such written reviews. As part of the settlement, the company agreed to, among other things, refrain from providing any AI-enabled service generating consumer or customer reviews or testimonials. Pursuant to Executive Order 14179, *Removing Barriers to American Leadership in Artificial Intelligence*, the FTC set aside the 2024 Final Consent Order after determining that the company’s AI-enabled services did not violate Section 5 of the FTC Act, that the 2024 Final Consent Order is contrary to the public interest, and that the Order “unduly burdens AI innovation, in contravention of EO 14179” and the Administration’s AI Action Plan.

**FTC Sends Warning Letters Regarding Potential Noncompliance with Consumer Review Rule.** On **December 22**, the FTC sent letters to 10 companies warning that certain practices may violate the agency's Trade Regulation Rule on the Use of Consumer Reviews and Testimonials (Consumer Review Rule). The Consumer Review Rule prohibits certain consumer review-related conduct including using fake or false consumer reviews; buying positive or negative reviews; using reviews written by company insiders; misrepresenting company-controlled review websites as independent; suppressing reviews; and selling or buying fake social media indicators. The letters warn that additional reports of noncompliance following the letter could result in legal action and civil penalties of \$53,088 per violation.

**FTC Settles with Grocery Delivery Company for Allegedly Deceptive Practices.** On **December 18**, the FTC filed a complaint and stipulated order settling allegations against a grocery delivery company for alleged violations of the FTC Act and Restore Online Shoppers' Confidence Act (ROSCA). The FTC alleges that the company misled consumers by failing to fulfill advertising claims of "free delivery" and a "100% satisfaction guarantee." According to the FTC, the company still charged a service fee and did not provide customers full refunds. The FTC also alleged the company violated ROSCA by failing to fully disclose all material terms of the free-trial enrollment membership. The company agreed to injunctive relief.

**FTC Settles with Crypto Bridge for Data Breach.** On **December 16**, the FTC issued a complaint and order against a crypto bridge for alleged violations of the FTC Act. The FTC alleged that the company deceived consumers about its data security practices, did not have sufficient data protection safeguards, failed to conduct sufficient testing to detect vulnerabilities, and had a slow response time to a security incident. Among other things, the FTC alleged the company failed to take adequate data security measures by failing to have a written information security program and failing to have automated systems to detect unusual patterns of traffic. According to the FTC, these data security failures led to the loss of consumer money. The company agreed to injunctive relief and to implement an information security program.

### Select State Enforcement Actions

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**Texas AG Settles with Hotel Chain for Allegedly Deceptive Practices.** On **December 30**, the Texas Attorney General (AG) announced a settlement with a hotel chain to resolve alleged violations of the Texas Deceptive Trade Practices Act. In 2023, the Texas AG filed a complaint against the company alleging that it failed to disclose all mandatory fees to customers before they booked hotel rooms. The company agreed to pay \$1.25 million and injunctive relief.

**NY AG Settles with Debt Servicer for Alleged Violations of State Consumer Protection Laws.** On **December 23**, the New York AG announced a \$2.4 million settlement with a financial services company providing debt servicing. According to the settlement, the company knowingly misled New York consumers through lease agreements that were allegedly disguised as conventional consumer financing agreements. Specifically, the New York AG alleges that consumers who accepted these agreements believed that they were purchasing a product or services, when in reality they were only leasing the product or service. The settlement requires the company to cancel all outstanding leases in New York and to pay \$175,000 in penalties.

**51 AGs Announce Multistate Settlement with Automotive Manufacturer for Alleged Use of Unlawful**

**Emissions Software.** On **December 22**, a coalition of 51 AGs announced a \$150 million settlement with an automotive manufacturer for allegedly using emissions software designed to circumvent emissions tests and mislead consumers. In addition to the \$150 million payment to the multistate coalition, the settlement requires the automotive manufacturer to provide \$2,000 payments to eligible owners and lessees whose vehicles receive the required emissions repairs.

**Massachusetts AG Settles with Mortgage Loan Servicer for Allegedly Deceptive Practices.**

On **December 17**, the Massachusetts AG announced a settlement with a national residential mortgage loan servicer for alleged violations of state mortgage servicing and debt collection laws, as well as the COVID-19 foreclosure and eviction moratorium. The AG alleged that the company did not provide consumers an appropriate cure period after defaulting on a loan, failed to take reasonable steps to avoid preventable foreclosures or otherwise offer loan modifications, and did not provide required relief to consumers financially impacted by COVID-19. The company agreed to pay \$4.65 million in addition to injunctive relief.

**CPPA Issues Enforcement Advisory Regarding Data Broker Registration.** On **December 17**, the California Privacy Protection Agency (CPPA) issued an Enforcement Advisory addressing data broker registration requirements pertaining to trade names, websites, and parent or subsidiary relationships under the Delete Act. The Delete Act requires data brokers to register with the CPPA by January 31, disclose certain information, and pay an annual fee.

## Upcoming Events and Deadlines

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**FTC Workshop on Noncompete Agreements.** On **January 27**, the FTC's Joint Labor Task Force will host a workshop titled "Moving Forward: Protecting Workers from Anticompetitive Noncompete Agreements." The workshop, originally scheduled for October 8, 2025, follows several FTC actions focused on noncompete agreements, including a Request for Information (RFI), a recent enforcement action in which a company agreed to cease enforcing such agreements, and a series of warning letters that urged health care companies to review and eliminate any anticompetitive noncompete agreements they may have. The workshop will include public statements from FTC Commissioners, employees subject to noncompete agreements, and leading experts in the field.

**FTC Age Verification Workshop.** On **January 28**, the FTC will hold a workshop to discuss age verification technologies that companies use to obtain the age information of individuals visiting their websites and online services. The FTC states the workshop will bring together researchers, industry, consumer advocates, and government regulators to discuss topics including age verification and estimation tools; regulatory contours of age verification; how to deploy age verification more widely; and how age verification technologies interact with the COPPA Rule.

## More Analysis from Wiley

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Five Privacy Checkpoints to Start 2026

SB 361: Defending Californians' Act – Expanding Requirements for Data Brokers

White House Issues Executive Order to Promote National AI Policy Framework and Challenge Certain State AI Laws

2025 State AG Robocall Enforcement Trends: Targeting of VoIP Service Providers Continues, With Coordinated AG Scrutiny of "Intermediate" Providers

AI Chatbots: How to Address Five Key Legal Risks

Automatic Renewals and Risks: State Negative Option Laws and Enforcement Are Trending

Expanding Patchwork of State "Junk Fees" Laws Presents Compliance Challenges

State AGs Discuss Consumer Protection Priorities: Privacy, Health, Junk Fees, and Coordination at the Forefront

Fraud and Scam Prevention Series: Navigating Increasingly Sophisticated Cybersecurity Threat and Fraud Tactics

California Finalizes Pivotal CCPA Regulations on AI, Cyber Audits, and Risk Governance

Cyber Enforcement Hits Hard: New York DFS Imposes \$19 Million in Penalties

Subscription Cancellation Policies Remain a Top FTC Priority

Amidst Scrutiny of E-Commerce Platforms, FTC Brings First INFORM Consumers Act Case

Kids' Online Safety Is a Top Priority

The Fair Credit Reporting Act – Who Is Covered and How to Comply

PADFA Enforcement – What Companies Need to Know

Practical Tips for When Your Company Gets an FTC CID

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

Executive Order on Ticket Resale Market Calls for Greater FTC Enforcement

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