



NEWS RELEASE

Attorney General Mike Hilgers

FOR IMMEDIATE RELEASE

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Attorney General Hilgers Announces \$45 Million Multistate Settlement with Block Inc. Over Deceptive Practices on Cash App

Lincoln – Attorney General Hilgers alongside 46 partnering states announced today a \$45 million multistate settlement with Block, Inc., the company behind Cash App. The settlement resolves allegations that Block misled consumers about Cash App’s safety, failed to protect users from fraud, and failed to provide the fraud protection and resolution it promised and that the law required.

Block told Cash App users their money was safe, implying the app worked like a bank with the same protections, which was not true. At the same time, Block knew fraud on its platform was rising sharply but, instead of warning users or strengthening protections, doubled down on marketing.

For years, Block promoted direct deposits of paychecks and government benefits into Cash App, especially to unbanked and underbanked consumers who often relied on Cash App as their primary financial account and were particularly vulnerable to fraud. Nebraska’s portion of this settlement is \$379,619.99.

Block’s policies did not just fail to stop fraud; in several ways, they made it easier. Its fast, frictionless sign-up process used minimal identity verification, making it easy for fraudsters to create accounts. For years, Cash App had no phone support, forcing users to seek help through the app or social media. Users who searched online for help often called fake 1-800 numbers run by scammers posing as Cash App, who then took over accounts or drained other financial accounts. Block knew this was happening but did not warn users or set up a real phone line until years later.

Block also ran Cash App Fridays, a social media promotion encouraging users to publicly post their \$cashtag for a chance to win a weekly prize. Fraudsters used those posts to contact users, falsely claim they had won, and trick them into sharing login information. Block knew about these scams and kept running the promotion for years.

Innocent users whose accounts were automatically locked for suspicious transactions were often locked out for weeks without access to their money. Fraud victims were frequently left with no recourse because delays made it impossible to recover stolen funds, and because Block failed to investigate unauthorized transactions and issue refunds when required by law.

Under the settlement, Block has agreed to implement and maintain responsible practices, including:

- Maintain customer support that can resolve fraud complaints, account lockouts, and other problems.
- Offer live support 24 hours a day, with a human available by phone at least 13.5 hours a day and by live chat at least 18 hours a day.
- Stop making false or misleading claims about Cash App's safety and fraud protections.
- Discontinue marketing practices known to increase fraud on the platform.
- Directly educate consumers about common types of fraud.
- Fulfill its legal obligations to investigate fraud claims and reimburse users for unauthorized transactions.

The multistate settlement also reaffirms Block's commitment to distribute between \$75 million and \$120 million to compensate consumers nationwide as part of a settlement with the CFPB.

Additional information about the CFPB settlement is available at ConsumerFinance.gov, and the consent order is available [here](#).

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