The Honorable Russell Vought

Acting Director

Consumer Financial Protection Bureau

1700 G St. NW

Washington, DC 20552

Dear Acting Director Vought:

On January 9, 2026, President Trump called for "a one year cap on Credit Card Interest Rates of 10%," effective January 20. I spoke with President Trump last week and told him that Congress could pass legislation to cap credit card rates, if he would fight for it. While Congress considers legislation to address the issue, your own actions are directly undermining the President's stated goals. Either President Trump is not serious about making credit cards more affordable or you are insubordinately disregarding his direction. Under your leadership, the Consumer Financial Protection Bureau (CFPB) has taken steps to make it easier—not harder—for big banks and credit card companies to rip off Americans. Indeed, you have worked to dismantle the agency, even though it would be responsible for implementing a cap on credit card fees—and should already be using the full scope of its authorities to address excessive credit card costs and to crack down on bad actors.

According to the CFPB's December 2025 report, the average annual percentage rate (APR) for credit cards has reached the highest level since 2015: 25.2 percent for general purpose cards and 31.3 percent for private label credit cards. Consumers were charged a cumulative $160 billion in credit card interest payments in 2024, up over $50 billion since 2022. Meanwhile, the percentage of people making just their minimum payment each month was at its highest since at least 2015.

Evidence suggests that credit card interest rates have become excessively high—enriching credit card companies and banks at the expense of the public. APRs have risen far faster than the Federal Funds Rate, even as charge-off rates have held steady. In 2024, spreads between the Federal Funds Rate and APRs hit a historical high of 16.4%. Today, borrowers pay interest rates approximately 8.8 percentage points higher than necessary to cover default losses.

If the Administration is serious about reducing credit card costs for American consumers, it will empower the CFPB—an agency that has returned more than $21 billion to families cheated by large financial institutions. As Congress considers legislation to cap credit card interest rates, the CFPB should:

1. Reinstate the $8 cap on credit card late fees or repeal the regulatory safe harbor allowing inflated late fees without cost justification.
2. Promulgate rules addressing deceptive deferred interest promotions that impose retroactive interest.
3. Resume TILA and CARD Act compliance examinations, particularly regarding periodic rate reassessments.
4. Initiate rulemaking and supervision regarding credit card rewards devaluation and bait-and-switch practices.

5 Resume full review and investigation of credit card consumer complaints.

Sincerely,

Elizabeth Warren

Ranking Member

Committee on Banking, Housing, and Urban Affairs

Citations and References

1. President Donald Trump, Truth Social Post, January 9, 2026.
2. Consumer Financial Protection Bureau, The Consumer Credit Card Market, December 2025.
3. Federal Reserve Bank of St. Louis, FRED Data Series (Federal Funds Rate, APRs, Charge-Off Rates).
4. Federal Reserve Bank of New York, Credit Card Banking, October 2025.
5. Bloomberg Law; New York Times; American Banker reporting (2025) regarding CFPB enforcement and rulemaking actions.