

December 3, 2025

Via Electronic Delivery

The Honorable Russell Vought
Acting Director
Consumer Financial Protection Bureau
1700 G St. NW
Washington, DC 20552

Re: Joint Agency Inquiry of Credit Card Rewards Program

Dear Acting Director Vought:

The American Bankers Association (ABA) respectfully requests that the Consumer Financial Protection Bureau (CFPB), along with the Department of Transportation (DOT), reverse the unwarranted attacks on credit card rewards programs initiated under the previous administration and withdraw the associated guidance the CFPB issued, which erroneously targets credit card rewards programs. Specifically, the CFPB should (1) withdraw Consumer Financial Protection Circular 2024-07, issued on December 18, 2024 (the “**Rewards Circular**”) and take down the associated press release; (2) take down the September 5, 2024 statement supporting a DOT inquiry into airline rewards programs; and (3) take down the Credit Card Rewards Issue Spotlight, dated May 2024 (the “**Rewards Issue Spotlight**”) and the associated press release, all of which sought to turn popular and widely-available credit card rewards programs into a target for CFPB examiners. As discussed further below, the rewards-related “guidance” has created unnecessary confusion for credit card issuers. It risks jeopardizing credit card rewards for consumers, depriving the industry of procedural safeguards, and undermining the legitimacy of the regulatory process.

A Solution in Search of a Problem

In the final year of former Director Rohit Chopra’s tenure, the CFPB intensified its scrutiny of credit card rewards, including releasing the Rewards Circular and the Rewards Issue Spotlight. These publications raised unfounded concerns about the market for credit cards that offer rewards, including by stating that consumer complaints indicate “concerning patterns” in market practices. These publications appear designed to pressure rewards card issuers with promises that the CFPB would “take necessary action on these issues where appropriate.” However, the CFPB’s conclusions about credit card rewards are not supported by the data.

Contrary to the CFPB’s assertions, credit card rewards programs are widely accessible, valuable, and clearly understood by consumers across all income levels. As one measure, according to the CFPB’s own complaint data, complaints about rewards are exceedingly rare. Overall, complaints about credit card rewards comprise 0.09% of all complaints submitted, which is hardly evidence of a “concerning pattern.”

Even though these complaints are rare, credit card issuers take them seriously. According to CFPB data, 99.2% of complaints received a timely response, and more than one-third of those complaints were resolved by some form of monetary or non-monetary relief.

Credit Card Rewards are Widely Popular

The CFPB's attack on credit card rewards programs threatens their sustainability and flexibility to meet consumer demands, despite high customer satisfaction ratings compared to other financial products and services. Moreover, competition in rewards is fierce, and issuers (and their partners) compete with diversified product features, including:

- **Cashback and Savings:** Many rewards programs offer cashback on purchases, which can lead to significant savings over time.
- **Travel Benefits:** Rewards programs often include travel-related perks (e.g., airline miles or hotel points), making travel more affordable and comfortable for frequent travelers.
- **Points and Merchandise:** Cardholders can earn points for account spend, which can be redeemed for merchandise, gift cards, or services, allowing consumers to choose rewards that best suit their preferences and needs.
- **Exclusive Offers and Discounts:** Some credit card rewards programs provide access to exclusive offers, discounts, and promotions with partner retailers and service providers, thereby enhancing program value and providing additional savings opportunities.
- **Increased Purchasing Power:** Rewards programs can effectively increase a consumer's purchasing power by providing additional value for each dollar spent.
- **Loyalty and Relationship Building:** Credit card rewards programs help build customer loyalty and strengthen relationships with cardholders.

Consumers of all income levels benefit from rewards, and as the credit card market continues to innovate to drive consumer satisfaction, credit card rewards programs will also continue to deliver significant value to consumers, including convenience, flexibility, and savings. Furthermore, merchants gain more from credit card rewards than they pay in interchange and other fees, as credit card users spend significantly more than those who pay in cash. Merchants also benefit from avoiding the costs associated with handling cash and receive greater financial transaction security. The previous administration's crusade against credit card rewards programs represented a solution in search of a problem, and such efforts should be undone.

The Rewards Circular and other Rewards-Related Guidance Operate as a Legislative Rule that did not go through Notice and Comment

The Rewards Circular operates as a legislative rule that did not go through public notice and comment. It imposes new restrictions on rewards valuation, rewards program limitations, and rewards redemption.

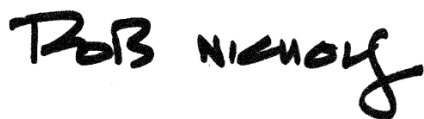
Public notice and comment, as required by the Administrative Procedure Act, would give the CFPB the benefit of understanding consumers' use of and preferences for credit card rewards programs, issuers' and brand partners' practices and limitations within credit card rewards programs, and the many benefits consumers derive from credit card rewards programs before issuing "guidance" on such programs. Moreover, public notice and comment would have informed the CFPB's view on whether partnered credit card rewards programs are, in fact, subject to the CFPB's statutory authority, including as it relates to unfair, deceptive, or abusive acts or practices (UDAAP).

While industry generally welcomes guidance that helps it understand and comply with the law, the CFPB has, in the past, too often characterized documents as guidance when, in fact, they were rules that were legally required to undergo a notice-and-comment process. In the most egregious cases, CFPB guidance has announced expectations that exceed the CFPB's statutory authority, as is arguably the case in the Rewards Circular. This misuse of guidance creates unnecessary confusion for regulated entities, deprives the industry of fair notice, and undermines the legitimacy of the regulatory process.

Additionally, the CFPB should take down its press release associated with the Rewards Circular. The press release promoted the CFPB's now-inactive Credit Card Comparison Tool. ABA strongly supports the CFPB's decision to deactivate the Credit Card Comparison Tool, as it will avoid consumer confusion. Similarly, withdrawal of the press release associated with the Rewards Circular that references the Credit Card Comparison Tool will also avoid consumer confusion.

For the reasons set forth above, the CFPB should (1) withdraw the Rewards Circular; (2) withdraw the Press Release targeting airline rewards programs; and (3) take down the Rewards Issue Spotlight, including the associated press release. These invalidly issued documents unduly restrict products that do not present consumer protection risks but, on the contrary, benefit consumers of all types.

Respectfully submitted,

The signature is handwritten in black ink, appearing to read "BOB Nienow". The letters are bold and slightly slanted, with a stylized flourish at the end of the last name.