

119TH CONGRESS
2D SESSION

S. 3660

To amend the Truth in Lending Act to reduce excessive credit card late fees, and for other purposes.

IN THE SENATE OF THE UNITED STATES

JANUARY 15, 2026

Mr. FETTERMAN (for himself, Mr. BOOKER, and Ms. BALDWIN) introduced the following bill; which was read twice and referred to the Committee on Banking, Housing, and Urban Affairs

A BILL

To amend the Truth in Lending Act to reduce excessive credit card late fees, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Credit Card Fairness
5 Act”.

6 **SEC. 2. PURPOSE.**

7 Congress believes the late fees rule of the Consumer
8 Financial Protection Bureau under part 1026 of title 12,
9 Code of Federal Regulations (commonly known as “Regu-
10 lation Z”), was appropriately promulgated as an extension

1 of the Bureau’s authority, in existence at the time the rule
2 was promulgated, and this Act is intended only to codify
3 that appropriately promulgated rule and thereby limit late
4 fees to an amount that is reasonable and proportional with
5 respect to the costs of credit card issuers.

6 **SEC. 3. REASONABLE CREDIT CARD LATE FEES.**

7 Section 149 of the Truth in Lending Act (15 U.S.C.
8 1665d) is amended—

9 (1) in subsection (c), by striking “shall con-
10 sider” and all that follows through the period, and
11 inserting “shall consider the cost incurred by the
12 creditor from such omission or violation.”; and

13 (2) by adding at the end the following:

14 “(f) CAP ON CREDIT CARD LATE FEES.—

15 “(1) DEFINITIONS.—In this subsection:

16 “(A) LARGE CREDIT CARD ISSUER.—The
17 term ‘large credit card issuer’ means credit
18 card issuer that had 1,000,000 or more open
19 accounts during the preceding calendar year.

20 “(B) OPEN ACCOUNT.—The term ‘open ac-
21 count’ has the meaning given that term in sec-
22 tion 1026.58(b)(6) of title 12, Code of Federal
23 Regulations, as in effect on the date of enact-
24 ment of this subsection (or successor regulation

1 that is consistent with the purposes of the
2 Credit Card Fairness Act).

3 “(2) FEE LIMITATION.—

4 “(A) IN GENERAL.—Subject to subpara-
5 graph (B), a fee imposed by a large credit card
6 issuer associated with a late payment on an ac-
7 count—

8 “(i) may not exceed \$8; and

9 “(ii) shall not be, in the determination
10 of the Bureau, in excess of the total costs
11 described in subclause (I), thereby contrib-
12 uting to profits of the credit card issuer.

13 “(B) UPDATES TO CAP.—The Bureau may
14 increase the cap on late fees for all large credit
15 card issuers under subparagraph (A)(i) by a
16 rate that is not more than the change in the
17 Consumer Price Index for All Urban Con-
18 sumers, as published by the Bureau of Labor
19 Statistics of the Department of Labor, for the
20 period beginning on the date of enactment of
21 this Act and ending on the date of proposed im-
22 plementation of such increase to the cap.

23 “(3) VENUE FOR CHALLENGE.—Any action
24 brought to challenge any provision in this sub-
25 section, or any decision of the Bureau made pursu-

1 ant to this subsection, shall be filed in the United
2 States District Court for the District of Columbia.

3 “(4) RULEMAKING.—The Bureau shall promul-
4 gate any rules under this subsection in accordance
5 with section 553 of title 5, United States Code, and
6 prior to the notice and comment period, the Bureau
7 shall publicly release the research used to inform
8 and develop the proposed rule.”.

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