CFPB to Card Issuers: Stop Playing Hide-and-Seek With Our Points

June 23, 2025 â€“ In a little covered story, late last year the Consumer Financial Protection Bureau (CFPB) told credit-card companies to keep their hands off the rewards consumers have already earned. In a legal circular, the agency warned that devaluing points, miles or cash-back after the fact can violate federal law against unfair, deceptive, or abusive acts. But virtually nobody reported the story at the time.

Labelled Circular 2024-07, the memo says card issuers (and their third-party partners) break the law when they:

- slash the value of accrued rewards,

- bury key restrictions in fine print, or

- let â€œtechnical glitchesâ€• erase customersâ€™ points.

Those tactics, the CFPB argues, amount to a bait-and-switch that â€œcan leave consumers empty-handed after theyâ€™ve hel up their end of the bargain.â€•

Rewards are no side hustle: nearly 75 % of general-purpose cards carry rewards, and more than 90 % of card spending now flows through them, CFPB data show. Consumers pick cards largely on those perks, so moving the goalposts after the game starts can cost families real money.

A May 2024 CFPB report highlighted four common grievances: hidden conditions, outright devaluation, redemption glitches and revoked points when accounts close. Wednesdayâ€™s circular is the second time in a year the bureau has flagged â€œbait-and-switchâ€• rewards schemes.

The CFPBâ€™s circular is a roadmap for state attorneys general and other regulators to sue or fine offenders. Translation: if a card issuer quietly guts your points stash, it could cost them more than it saves.

Here are a few recommendations to protect your stash of rewards points:

- Screenshot or save program terms the day you sign up. If the issuer moves the goalposts, you have receipts.

- Redeem points regularly. Sitting on a huge balance makes you a bigger target for future devaluations.

- Complain, loudly and early. File a grievance at consumerfinance.gov or call 855-411-CFPB. The bureau logs every complaint and uses the data to decide who gets investigated next.

The CFPB also rolled out an Explore Credit Cards tool that lets shoppers compare more than 500 cards using unbiased data â€” no referral kickbacks. For consumers tired of the shell game, itâ€™s a rare chance to see behind the curtain before signing up.
by Jim Malmberg
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