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Warren Presses Citi CEO on Reported Acquisition Plans, Raises Concerns Over Systemic Risk

“(S)uch an acquisition would likely exacerbate the existing risks that Citi poses to consumers and the stability of the U.S. financial system.”

[Text of Letter \(PDF\)](#)

Washington, D.C. – U.S. Senator Elizabeth Warren, Ranking Member of the Senate Banking, Housing, and Urban Affairs Committee, sent a letter to Citigroup (Citi) CEO Jane Fraser raising concerns about the company’s potential acquisition plans, which could vastly expand Citi’s existing \$2.6 trillion financial empire and may violate laws designed to protect consumers from dangerous mergers and prevent acquisitions that threaten the stability of the U.S. financial system.

Bloomberg reported in late March 2026 that Citi executives believe it is “likely that they could win a nod from regulators and complete a major transaction,” in light of the Trump Administration’s recent willingness to approve large mergers – including those that are likely illegal.” While it remains unclear if the bank has concrete plans to move forward with any acquisitions, “it is inconceivable that an acquisition of the type reported would pass legal muster under the Bank Merger Act and Bank Holding Company Act.”

In the letter, Ranking Member Warren outlined three statutory factors that a material acquisition by Citi would likely violate:

- **“(R)egulators must consider the risk posed by the transaction to the stability of the U.S. banking system.”**

“Between 1995 and 2007, Citi grew from \$559 billion in assets to \$2.1 trillion,” **wrote the Ranking Member.** “After its risk-taking blew up during the 2008 financial crisis, and when the U.S. economy was on the brink of collapse, Citi received \$476.2 billion in taxpayer-funded bailouts – more than any of its other peers on Wall Street.”

“Further growth through mergers and acquisitions would almost certainly exacerbate Citi’s systemic riskiness and increase threats to financial stability,” **continued the Ranking Member.**

- **“(R)egulators must consider the managerial resources of the existing and proposed institutions.”**

“Citi’s payment software system was so confusing that it reportedly “almost encouraged bank personnel to make huge mistakes” and contributed to one of the “biggest blunders in banking history” in August 2020 when Citi mistakenly wired \$900 million to the creditors of the makeup company Revlon, instead of a small interest payment,” **wrote Ranking Member Warren.**

“Citi is clearly unable to safely manage its sprawling financial empire as it stands today, and any acquisition would exacerbate these risks.”

- **“(R)egulators must consider whether the transaction would benefit the public, including by meeting the convenience and needs of the community.”**

“Citi’s sprawling financial empire has led to continued consumer harm. In 2023, for example, Citi violated the Equal Credit Opportunity Act, by discriminating against Armenian American credit card applicants. It was fined more than \$24 million by the Consumer Financial Protection Bureau (CFPB)...” **wrote Ranking Member Warren.**

“In 2016, the CFPB also took two actions against Citi, for illegal debt sales and debt collection practices, ordering Citi to pay nearly \$5 million million in consumer relief and a \$3 million penalty.”

“Given my concerns, I request that Citi answer the following questions by July 22, 2026. In addition, I urge Citi to cease any ongoing discussions about expansion and, instead, consider selling off business lines to shrink its size and simplify its organizational structure,” **concluded the Ranking Member.**

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