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United States Senate

COMMITTEE ON BANKING, HOUSING, AND
URBAN AFFAIRS

WASHINGTON, DC 20510-6075

January 30, 2026

Kevin Warsh
Shepard Family Distinguished Visiting Fellow in Economics
Hoover Institution
434 Galvez Mall
Stanford, CA 94395

Dear Mr. Warsh:

President Donald Trump nominated you to serve as the next Chair of the Board of Governors of the Federal Reserve System (“Fed” or “Federal Reserve”) on January 30, 2026.¹

As you know, it is critical for our economy and the well-being of American families for the Federal Reserve to exercise its significant powers independent from the political whims of the White House and the profit motives of Wall Street. In recent months, the Trump Administration has attempted to seize control of the Federal Reserve.

Specifically, on January 9, 2026, the U.S. Attorney’s Office for the District of Columbia reportedly sent grand jury subpoenas to the Federal Reserve as part of a criminal investigation into sitting Fed Chair Jerome Powell.² According to Chair Powell, “the Department of Justice served the Federal Reserve with grand jury subpoenas, threatening a criminal indictment related to [his] testimony before the Senate Banking Committee last June” regarding “a multi-year project to renovate historic Federal Reserve office buildings.”³ As Chair Powell noted, “This new threat is not about my testimony last June or about the renovation of the Federal Reserve buildings. . . . Those are pretexts. The threat of criminal charges is a consequence of the Federal Reserve setting interest rates based on our best assessment of what will serve the public, rather than following the preferences of the President.”⁴

The criminal investigation of Chair Powell is just one of multiple Trump Administration efforts to intimidate or punish Federal Reserve Board members for failing to comply with the

¹ CNN, “Trump nominates inflation hawk Kevin Warsh to replace Jerome Powell as Fed Chair,” Matt Egan, January 30, 2026, <https://www.cnn.com/2026/01/30/economy/kevin-warsh-nominated-fed-chair>.

² New York Times, “Federal Prosecutors Open Investigation Into Fed Chair Powell,” Glenn Thrush and Colby Smith, January 11, 2026, <https://www.nytimes.com/2026/01/11/us/politics/jerome-powell-fed-inquiry-trump.html>.

³ Federal Reserve, “Statement from Federal Reserve Chair Jerome H. Powell,” January 11, 2026, <https://www.federalreserve.gov/newsevents/speech/powell20260111a.htm>.

⁴ *Id.*; New York Times, “Federal Prosecutors Open Investigation Into Fed Chair Powell,” Glenn Thrush and Colby Smith, January 11, 2026, <https://www.nytimes.com/2026/01/11/us/politics/jerome-powell-fed-inquiry-trump.html>.

President's requests. Throughout 2025, President Trump repeatedly threatened to remove Chair Powell over his unwillingness to bow to the President's demands that he lower interest rates.⁵ And in September 2025, the Department of Justice opened a criminal investigation into Federal Reserve Governor Lisa Cook for alleged mortgage fraud, just weeks after President Trump moved to illegally fire her from the Board.⁶

A willingness to exercise independent judgment in the best interest of American families and to refuse to serve as President Trump's sock puppet is a bare minimum qualification for the job of Fed Chair. To help me understand whether you possess this qualification, please answer the following questions in writing no later than February 6, 2026:

1. Do you support the Department of Justice's decision to criminally investigate sitting Fed Chair Jerome Powell?
2. Do you support the Department of Justice's decision to criminally investigate sitting Fed Governor Lisa Cook?
3. The following is a non-exhaustive list of statements from President Trump regarding Fed Chair Jerome Powell. For each statement, indicate whether you believe the statement reflects an appropriate posture towards the independent Fed Chair.
 - a. "He's got some real mental problems. There's something wrong with him. It's just ridiculous. I'll be honest, I'd love to fire his ass. He should be fired."⁷
 - b. "So we're thinking about bringing a gross incompetence, what's called a gross incompetence lawsuit, it's gross incompetence, against Powell...I'd love to fire him. Maybe I still might."⁸
 - c. "I don't know why the Board doesn't override [Powell]...Maybe, just maybe, I'll have to change my mind about firing him?"⁹

⁵ New York Times, "Trump Has Draft of Letter to Fire Fed Chair. He Asked Republicans if He Should Send It." Maggie Haberman and Colby Smith, July 19, 2025, <https://www.nytimes.com/2025/07/16/us/politics/trump-powell-firing-letter.html>; BBC, "Fed chair Powell hits out at 'unprecedented' probe by US justice department," Ana Faguy and Osmond Chia, January 12, 2026, <https://www.bbc.com/news/articles/c801k7rkkd7o>.

⁶ Reuters, "US Justice Department opens criminal mortgage fraud probe into Fed Governor Cook," Sarah N. Lynch, September 4, 2025, <https://www.reuters.com/legal/government/us-justice-department-opens-criminal-mortgage-fraud-probe-into-fed-governor-cook-2025-09-04/>; Letter from President Trump to Governor Lisa Cook, August 25, 2025, <https://www.presidency.ucsb.edu/documents/letter-federal-reserve-governor-lisa-cook-notifying-her-her-dismissal-from-office>.

⁷ CBS Austin, "'I'd love to fire his a**': Trump says Fed Chair Jerome Powell has 'real mental problems,'" Jessica A. Botelho, November 19, 2025, <https://cbsaustin.com/news/nation-world/id-love-to-fire-his-a-trump-says-fed-chair-jerome-powell-has-real-mental-problems-federal-reserve-chair-economics-interest-rates-cuts-white-house-president-donald-trump>

⁸ The Guardian, "Trump says he'd 'love to fire' Jerome Powell in latest attack on Fed chair," Robert Mackey, December 29, 2025, <https://www.theguardian.com/business/2025/dec/29/trump-jerome-powell-latest-attack-fed-chair>.

⁹ Reuters, "Trump says he may change his mind about firing Fed Chair Powell," Trevor Hunnicutt and Jasper Ward, June 20, 2025, <https://www.reuters.com/business/finance/trump-says-he-may-have-change-his-mind-about-firing->

- d. “‘Too Late’ Jerome Powell of the Fed, who is always TOO LATE AND WRONG, yesterday issued a report which was another, and typical, complete ‘mess!’ [...] Too Late should have lowered Interest Rates [...] long ago, but he should certainly lower them now. Powell’s termination cannot come fast enough!”¹⁰
- e. “I talked about the concept of firing him. I said, ‘what do you think?’ Almost everyone of them said I should...but I’m more conservative.” [...] “I don’t rule out anything but I think it’s highly unlikely unless he has to leave for fraud...I mean it’s possible there’s fraud involved with the \$2.5 billion renovation.”¹¹

Sincerely,



Elizabeth Warren
Ranking Member
Committee on Banking,
Housing, and Urban Affairs

[fed-chair-powell-2025-06-20/](#)

¹⁰ Truth Social Post by @realDonaldTrump, April 17, 2025, <https://truthsocial.com/@realDonaldTrump/posts/114352766082542122>.

¹¹ New York Times, “Trump Has Draft of Letter to Fire Fed Chair. He Asked Republicans if He Should Send It.” Maggie Haberman and Colby Smith, July 19, 2025, <https://www.nytimes.com/2025/07/16/us/politics/trump-powell-firing-letter.html>.