



## Consumer Federation of America

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### **Civil Rights, Consumer and Military Organizations Urge Conferees: Reject Auto Dealer Carve-Out from the Consumer Financial Protection Bureau**

Washington, DC – Organizations representing civil rights, military, and consumers sent a [letter](#) to the House and Senate conferees on the financial reform bill urging them reject the House offer that excludes auto dealers from the new Consumer Financial Protection Bureau.

“This special interest carve-out just for auto dealers is unacceptable,” said Susan Weinstock, Financial Reform Campaign Director at Consumer Federation of America. “The House offer simply retains the status quo, allowing unscrupulous auto lenders to continue to prey on our troops and communities of color.”

Auto dealers, like mortgage brokers, are directly engaged in negotiating the price, terms, and structure of credit with borrowers. Auto dealers can decide which lender to use and financing markups are set at the dealer's discretion. CFPB must be able to regulate by loan product, in this instance a car loan, rather than by the provider of the loan.

“Current enforcement on auto loans is spread among a number of federal and state agencies and is inconsistent,” said Travis Plunkett, Legislative Director for CFA. “Even if the conferees give current federal regulators more tools, that still doesn’t give them the resources to oversee a market with 50-60 million transactions per year. The CFPB will be the cop on the beat for lending, and this beat should include auto lending.”

*The Consumer Federation of American is a non-profit association of more than 280 groups that, since 1968, has sought to advance the consumer interest through advocacy and education.*