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ARTICLES & INSIGHTS

ABOUT THE AUTHOR



[Samuel D. Fleder](#) is a partner and member of the firm's Alcohol Beverage and [Creditors Rights](#) practice groups. He concentrates his practice in the areas of business consulting, trademark disputes, regulatory compliance, and construction and commercial litigation in the alcoholic beverage and financial industries. Sam has experience in all aspects of litigation, including motion hearings, depositions, complex discovery matters, trials, appeals, and often most importantly, helping his clients resolve active or threatened litigation efficiently while protecting their business interests. Sam advises clients across the country and is involved in legal representation and litigation across North Carolina, South Carolina, and Virginia.

The Umbrella Gets Bigger: CFPB to Begin Regulating Auto Finance Companies

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The Consumer Financial Protection Bureau ("CFPB"), one of the federal government's primary regulatory enforcement agencies under the Dodd-Frank Act, recently announced that it will expand the scope of its enforcement umbrella to begin overseeing larger non-bank auto finance businesses. This move comes on the heels of a report the CFPB released earlier in 2014 identifying discrimination by banks in their automobile-lending practices; the report calculates that CFPB action will result in \$56 million to redress discrimination committed against 190,000 consumers. This expansion of CFPB's enforcement umbrella marks the first time that non-bank auto lenders will be regulated at the federal level. The CFPB estimates that "larger participants" of the non-bank auto finance market provided financing to more than 6 million consumers in 2013, and originated 90% of non-bank auto loans and auto leases. In addition to its concerns over discriminatory lending in violation of the Equal Credit Opportunity Act, the CFPB also intends to focus on deceptive marketing tactics, improper credit reporting practices that violate the Fair Credit Reporting Act, and illegal debt collection efforts including vehicle repossession while loans are current or payment arrangements are in place. You can read the CFPB's official announcement [here](#); the proposed rulemaking is [here](#), and the 60-day period for public comment ends December 8, 2014.

For more information on how to 'not get burned' by new federal lending regulations; or if you are in need of counsel regarding auto loan litigation and collateral recovery or lender liability defense for claimed violations of the FDCPA, FCRA, TCPA; or if you need assistance with state collection/consumer debt law in North Carolina and South Carolina; please contact [Sam Fleder](#) at 919.250.2238 or by email at sfleder@smithdebnamlaw.com.

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