

Election Impact: The future of the CFPB

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Member **Kelly Lipinski** (Cleveland) is quoted in “Election Impact: The future of the CFPB” in *Auto Finance News* (subscription required). The article covers the creation and history of the CFPB, and the impact the 2020 presidential election may have on the agency’s activities.

Under Cordray’s leadership, the CFPB published a bulletin that “basically stated that in the auto indirect space disparate impact was a viable legal theory under fair lending and the Equal Credit Opportunity Act,” Lipinski said. “They followed suit by entering into enforcement actions against auto finance companies based on dealer markup.” Disparate impact is a labor law that refers to practices in employment, housing and auto that adversely affect one group of people under a protected characteristic more than another.

“One added dynamic here that we can’t minimize is not just whether the administration changes,” Lipinski noted. “We are set for economic challenges that will directly affect consumers. We should anticipate an increase in repos and foreclosures, and those were the exact issues in 2008 that led to the formation of the CFPB.

“Whoever is in leadership at the CFPB, or even the president ... will be forced to address an economic environment where consumer accounts are not performing. We’re going to have a lot of behavior and defaults that are reminiscent of 2008. So, eyes will be on the federal agencies or President Trump or President Biden — whoever it is — to avoid and minimize the repetitions of the economic collapse in 2008.”

Read the full article [here](#) (subscription required).

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Kelly Lipinski