

Partner Jean Noonan quoted in Auto Finance News article on disparate impact

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A recent article in *Auto Finance News* warned auto lenders that regulators have been scrutinizing lenders' portfolios to indirectly monitor disparate impact at auto dealerships. Hudson Cook Partner [Jean Noonan](#) explained that disparate impact in the automotive finance space refers to unintentional discrimination that requires business justification for why protected groups are being turned down or paying higher rates. According to a [recent article](#) by Hudson Cook attorneys [Nikki Munro](#) and [Laura Bacon](#), although dealers determine pricing decisions on a contract-by-contract basis, the CFPB looks to lender portfolios to determine any discriminatory markups.

Different groups of minorities can have varying average markups within a lender's portfolio, however, "if that difference is 10 basis points or more, [regulators are] going to call that discrimination," Jean told *Auto Finance News*.

Jean Noonan is a partner in the firm's Washington, DC office. Jean advises clients on consumer financial services, fair lending, marketing, financial privacy, and consumer protection matters. She counsels financial institutions and others in complying with laws related to consumer credit, privacy, telemarketing, and unfair trade practices. Read more about Jean in the [American Bar Association's Consumer Financial Services Committee Practitioner Profile](#).

Subscribers to *Auto Finance News* may [click here](#) to read the article.

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