



SubPrime Auto Finance News and Hudson Cook Partner Lucy Morris take a look back at the CFPB's first 10 years

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The Consumer Financial Protection Bureau (CFPB) celebrated its 10th anniversary earlier this year. Nick Zulovich, Senior Editor of *SubPrime Auto Finance News*, spoke to Hudson Cook Partner [Lucy Morris](#) for her thoughts on the Bureau's oversight of the auto finance industry over its first 10 years and how the independent agency has increasingly become politicized.

"In its first 10 years, the [B]ureau has aggressively and creatively used its supervisory and enforcement authority over the auto finance market," said Lucy. "This has included reviewing for potential discrimination in auto finance, especially in holding finance sources who buy contracts from dealerships responsible for any pricing disparities to protected and non-protected groups. It has also included holding auto servicers responsible for alleged wrongful repossessions, fees charged for processing payments, and repossession vendors' charges for storing consumers personal property in the repossessed car. The [B]ureau consistently examines the larger auto finance companies and follows up with enforcement action when it sees fit."

Lucy noted that although the CFPB was created as an independent agency ". . . because the [B]ureau is led by a single director who serves at the pleasure of the president, CFPB leadership necessarily changes with every change in administration. As a result, there have been wide pendulum swings over the first 10 years. This isn't good for the industry and it isn't good for consumers. A bipartisan commission . . . would help smooth out the political swings and provide more certainty to the market."

In looking ahead, Lucy expects the Bureau to continue to focus on auto finance, especially in the subprime market, ". . . and to use its enforcement and supervisory authority to review and take action for discrimination and other practices it deems unfair, deceptive or abusive." Expect to see higher penalties as well, Lucy added.

[Click here](#) to read the *SubPrime Auto Finance News* article.

Lucy served as a founding member of the CFPB Implementation Team that organized the Bureau after passage of the Dodd-Frank Act and served as a CFPB Deputy Enforcement Director before joining Hudson Cook in 2014. Lucy chairs Hudson Cook's [Government Investigations, Examinations, and Enforcement Practice Group](#) and is a frequent speaker and author on a variety of consumer financial services law topics.

Hudson Cook's June CFPB Bites webinar featured a conversation with Lucy about the CFPB's first 10 years. [Request a replay of the webinar.](#)

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