

# Senate Banking Republicans Have Taken Over \$3.4 Million From Banks And Banking Industry Groups That Have Paid Over \$1.14 Billion in Discrimination Settlements And Criticized CFPB Enforcement of Discriminatory Practices

**SUMMARY:** In March 2022 the Consumer Financial Protection Bureau (CFPB) [released an updated manual](#) to its supervisory operations in order identify certain discriminatory practices within the banking sector, particularly those relating to unfair, deceptive and abusive acts and practices (UDAAPs) as defined by the Consumer Financial Protection Act. Three months later, several major banking trade groups, including the American Bankers Association, Consumer Bankers Association, and Independent Community Bankers of America, as well as the U.S. Chamber of Commerce [called on](#) the CFPB to rescind the manual, claiming the Bureau was stepping outside clear boundaries set by Congress in how it should monitor and enforce discrimination laws.

Meanwhile, as the number of black-owned banks have [dwindled](#) in the U.S. and [53%](#) of Black Americans remain un- or underbanked, large banks have played a starring role in [depriving communities of color from accessing homeownership](#)—a [“primary tool for building wealth.”](#) In just the past decade alone, some of the largest U.S. banks have collectively paid over **\$1.14 billion in racial discrimination settlements, including those related to mortgages.** These banks include:

- In August 2017, **American Express** paid around [\\$96 million](#) after its banking subsidiaries provided [“inferior”](#) credit terms to consumers outside of the continental U.S while also discriminating against “consumers with Spanish-language preferences.”
- In September 2015, **Fifth Third Bank** paid [\\$18 million](#) for discriminatory practices leading to [“higher dealer markups”](#) to Black and Hispanic auto borrowers.
- In July 2012, **Wells Fargo** paid [\\$233.4 million](#) in [“the second largest fair lending settlement”](#) with the Department of Justice for **discriminating against around 4,000 Black and Latino borrowers** by steering them into [“subprime mortgages”](#) from 2004 through 2009.
- In December 2012, **Countrywide Financial Corporation**, which was [bought](#) by Bank of America **In 2008**, entered the “largest fair lending settlement” for [\\$335 million](#) for **charging Black and Latino borrowers “higher fees and interest rates”** while steering Black and Latino borrowers into subprime mortgages.
- In January 2017, **JPMorgan Chase & Co.** agreed to pay [\\$55 million](#) after the Justice Department alleged the firm allowed **mortgage brokers to discriminate against minority borrowers on home loans.**
- In December 2013, **Ally Bank** was ordered to pay [\\$98 Million](#) by the Justice Department and CFPB for **charging higher interest rates on auto loans for borrowers of “African-American, Hispanic, and Asian”** descent.
- In June 2014, **Synchrony Bank**—then known as GE Retail Bank—agreed to pay [\\$225 million](#) in fines for **deceptive and discriminatory practices**, including denying Spanish speaking customers a credit promotion allowing them to pay off remaining credit card balance debt with a smaller payment.
- In March 2019, **Citigroup** was fined [\\$25 million](#) by the Office of the Comptroller of the Currency for violating the Fair Housing Act after the company **denied mortgage borrowers “preferential rates on the basis of their race, color, or other factors.”**

- In May 2012, **SunTrust—Now Truist**—agreed to pay a **\$21 Million** settlement over a Justice Department suit alleging the lender "[Violated The Fair Housing Act And Equal Credit Opportunity Act](#)" by **charging Black and Latino borrowers higher fees and interest rates** between 2005 and 2009.
- In December 2013, **PNC Financial Services**—which **acquired National City Bank** in 2008—agreed to pay a **\$35 million** settlement over National City's scheme to "**systemically overcharge Black and Hispanic mortgage borrowers.**"

As the CFPB has made it a priority to identify policies set by financial institutions that may have a disparate impact on marginalized and underbanked communities, Republican members on the Senate Banking Committee have criticized the CFPB's authority, **while taking at least \$1,916,250 from banks that have paid over \$1.14 billion in fines and settlements for discriminating against consumers and \$1,498,000 from industry groups that have criticized the CFPB's attempt to address disparate impacts** on consumers in the banking sector.

- **Senate Banking Committee Ranking Member Sen. Pat Toomey (R-PA):** Has taken at least **\$424,250** from banks that have settled discrimination suits and industry groups which have criticized the CFPB for focusing on disparate impact in the sector, while criticizing the CFPB for "[unilaterally decid\[ing\]](#)" Dodd-Frank allows the agency to address disparate impact.
- **Sen. Thom Tillis (R-NC):** Has taken at least **\$390,500** from banks that have settled discrimination lawsuits and from industry trade groups, while calling the CFPB's policy on disparate impact a "['wholesale rewrite' of the CFPB's exam procedures.](#)"
- **Sen. Jerry Moran (R-KS):** Has taken at least **\$344,850** from banks that have settled discrimination suits and industry trade groups, while also [attempting to overturn](#) the CFPB's 2013-02 Bulletin regarding disparate impacts from indirect auto lenders.
- **Sen. Mike Crapo (R-ID):** Has taken at least **\$604,000** from banks that have settled discrimination lawsuits and from industry groups that opposed the CFPB's focus on disparate impact in the sector.
- **Sen. Richard Shelby (R-AL):** Has taken at least **\$468,000** from banks that have paid fines in discrimination lawsuits and industry groups opposing the CFPB's focus on disparate impact.
- **Sen. Tim Scott (R-SC):** Has taken at least **\$412,650** from banks that have paid fines in discrimination suits and industry groups that have opposed the CFPB's focus on disparate impact in the sector.
- **Sen. Mike Rounds (R-SD):** Has taken at least **\$288,500** from banks that have settled discrimination lawsuits and industry groups that have gone after the CFPB's over its focus on disparate impacts in the sector.
- **Sen. John Kennedy (R-LA):** Has taken at least **\$77,500** from banks that have settled discrimination lawsuits and industry groups that have attacked the CFPB's actions looking at disparate impacts in the sector, while also accusing the CFPB of "[assum\[ing\] discrimination](#)" "[all the time.](#)"
- **Sen. Bill Hagerty (R-TN):** Has taken at least **\$32,500** from banks that have settled discrimination lawsuits and from industry groups that have attacked the CFPB's actions looking at disparate impacts in the sector.
- **Sen. Cynthia Lummis (R-WY):** Has taken at least **\$49,000** from Wells Fargo and bank groups that have opposed the CFPB's actions surround disparate impacts in the sector.

- **Sen. Kevin Cramer (R-ND):** Has taken at least **\$115,000** from banks that have settled lawsuits for discrimination and industry groups that have opposed the CFPB's actions targeting disparate impacts in the sector.
- **Sen. Steve Daines (R-MT):** Has taken at least **\$207,500** from banks that have settled lawsuits for discrimination and industry groups that have opposed the CFPB's actions targeting disparate impacts in the banking sector.

## Table of Contents

General Background	6
CFPB Background	8
Bank Racial Discrimination Settlements	9
American Express	9
Fifth Third Bank	10
Wells Fargo	10
Bank Of America	11
JPMorgan Chase	11
Ally Bank	12
Synchrony Bank	12
Citigroup	13
Truist	13
PNC Financial Services.	14
Industry Group Opposition To CFPB Discrimination Supervision	14
<u>Contributions To Senate Banking Republicans</u>	
Sen. Pat Toomey (R-PA)	15
Sen. Thom Tillis (R-NC)	17
Sen. Jerry Moran (R-KS)	18
Sen. Mike Crapo (R-ID)	19
Sen. Richard Shelby (R-AL)	20
Sen. Tim Scott (R-SC).	21
Sen. Mike Rounds (R-SD)	22
Sen. John Kennedy (R-LA)	23
Sen. Bill Hagerty (R-TN)	24
Sen. Cynthia Lummis (R-WY)	24
Sen. Kevin Cramer (R-ND).	25
Sen. Steve Daines (R-MT)	25

**Communities Of Color Face Multiple Forms Of Discrimination In The Financial Sector, Such As Seeing Higher Costs For Operating Checking Accounts, Being More Likely To Be Turned Down For Loans, And Being Steered Into Subprime Loans.**

**As The Number Of Black-Owned Banks Have Dwindled In The U.S., 53% Of Black Americans Are Unbanked Or Underbanked, And Those That Do Bank, See Higher Costs For Opening And Maintaining Checking Accounts And Are More Likely To Be Turned Down For Business Loans.**

Since 1976, The Number Of Black-Owned Banks Across The U.S. Fell From Over 50 To Just 18, Causing America’s Racial Wealth Gap To Widen As Black Banks Are Able To “Uniquely Address The Needs Of Black-Owned Businesses, Homeowners, And Community Nonprofits.” “By 1976, there were more than 50 Black-owned banks across the United States. Their numbers shrunk during the savings and loan crisis of the 1980’s and again during the Great Recession, which squeezed Black households’ wealth through unprecedented foreclosures and home equity losses. Since 2008, the number of Black-owned banks have fallen by 49 percent. Today there are just 18 of these vital community anchors. Black-owned banks deploy resources that uniquely address the needs of Black-owned businesses, homeowners, and community nonprofits. As these institutions close, the needs of Black entrepreneurs and households go unmet. [...] All of this has profound intergenerational consequences on wealth. As Black banks close, Black families go underbanked—and America’s racial wealth gap widens.” [NBBF, accessed [07/20/22](#)]

**Black Americans Are “Underserved By Financial Services,” With 53% Of Black Americans Being Unbanked Or Underbanked.** “At the same time, the need for these institutions has grown. African-Americans as a group are underserved by financial services. More than 53% of blacks are either unbanked or underbanked, meaning they supplement their bank account with alternatives such as check cashers. That’s nearly double the percentage of the population as a whole, according to the FDIC.” [USA Today, [02/16/17](#)]

**Banks Charge Communities Of Color More For Opening And Maintaining Checking Accounts, With The Minimum Opening Deposit Reaching \$80.60 In Majority Black Neighborhoods And \$97.00 In Neighborhoods Without A Racial Majority, Compared To \$68.50 In Majority White Neighborhoods.** “Banks charge communities of color more for opening and maintaining basic, entry-level checking accounts. The minimum opening deposit is substantially higher in majority black neighborhoods (\$80.60) and in neighborhoods without a racial majority (\$97.00) than in white neighborhoods (\$68.50). Opening deposit requirements are almost the same in majority Latinx (\$68.60) as in white neighborhoods.” [New America, [06/21/18](#)]

**Over Half Of Black-Owned Businesses Are Turned Down For Loans—Twice The Rate Of White Business Owners—And Black-Owned Businesses Have The Highest Rate Of Proposals Failing To Receive Full Financing.** “According to data recently made available from the US Federal Reserve, more than half of companies that have black owners were turned down for loans, a rate twice as high as white business owners. The report found that while black-owned firms were the most likely to have applied for bank financing, less than 47% of these applications were fully funded. Even when black business owners get approved, their rate of failure to receive full financing is the highest among all categories by more than 10%.” [The Guardian, [01/16/20](#)]

## **Banks Have Played A Historical Role In Undermining Black Homeownership—The “Primary Tool For Building Wealth”—By Steering Black Americans Into Subprime Loans And Charging More Expensive Mortgage Financing, Resulting In An Almost 30% Difference In Homeownership Rates Between Black And White Americans.**

### **Homeownership Is “The Primary Tool For Building Wealth,” But Has Failed To Benefit Black Homeowners Due To A History Of Discrimination In The Banking And Real Estate Industry.**

“Homeownership is the primary tool for building wealth, especially for Black households, but homeownership has failed to benefit Black homeowners as much as it has benefited white homeowners because of a long history of unequal treatment.” [Urban Institute, [December 2020](#)]

**The Federal Housing Administration (FHA) Has Historically Singled Out Black Neighborhoods From Receiving Capital To Buy Homes And Make Investments,” With 98% Of FHA-Insured Loans Going To White Families Between 1934 And 1962, Enabling Them To Build Wealth.** “In response to the Great Depression (1929–33), the federal government designed and implemented a racial segregation program under the New Deal. The Federal Housing Administration (FHA), founded in 1934, drew red lines on maps, color-coding neighborhoods to indicate where lending was not insurable. Black neighborhoods were colored red, and families there were blocked from receiving capital to buy homes and make investments. Between 1934 and 1962, 98 percent of FHA-insured loans went to white families, providing them a critical wealth-building foundation for future generations.” [Urban Institute, [December 2020](#)]

**As Banks And The Real Estate Industry Continued To Undermine Black Homeownership, Black Families Were Forced To Purchase Dilapidated Homes In Inner Cities That Were “Costly To Maintain” And Often “Went Into Foreclosure.”** “Even after the Fair Housing Act was enacted in 1968, Black households continued to face discrimination in the housing market. Banks and the real estate industry undermined Black homeownership by resisting neighborhood integration (integration, they argued, would lower property values in white neighborhoods). Thus, homeownership opportunities for Black homebuyers were found only in inner cities, where homes were inferior to those elsewhere. Without a proper inspection, Black households purchased dilapidated homes that were costly to maintain. When buyers could not repair these homes, they defaulted, and their homes went into foreclosure.” [Urban Institute, [December 2020](#)]

**During The Housing Boom Of The Early 2000s, Black Homebuyers Faced “More Expensive Mortgage Financing” And Were Steered Into Subprime Loans, Which Were More Likely To Experience Foreclosure, Resulting In A “Substantial Loss Of Wealth And Deterioration Of Credit Among Black Homeowners.”** “Black homebuyers also face more expensive mortgage financing because loan underwriters believe Black homebuyers pose a higher risk of loan default. But some studies have found that, even controlling for financial characteristics, Black borrowers pay higher mortgage rates than white borrowers. During the housing boom in the early 2000s, Black borrowers were significantly more likely to receive subprime loans and adverse pricing within the subprime space than comparable white households. Residential segregation led to subprime loans being concentrated in Black neighborhoods. Subprime loans were more likely to experience foreclosure and increase foreclosure probability of nearby homes, resulting in substantial loss of wealth and deterioration of credit among Black homeowners.” [Urban Institute, [December 2020](#)]

### **In September 2021, The Brookings Institution Found That Black Americans Had A Homeownership Rate Of 46.4% Compared To 75.8% Of White Americans, Which Is Further Exacerbated By Predominately Black Neighborhoods Being Valued At \$48,000 Less Than Predominately White Neighborhoods.**

“However, this pathway is often less achievable for Black Americans who post a homeownership rate of 46.4% compared to 75.8% of white families. Compounding matters, homes in predominately Black neighborhoods across the country are valued at \$48,000 less than predominately white neighborhoods for a cumulative loss in equity of approximately \$156 billion. These are significant contributing factors to the racial wealth gap.” [The Brookings Institution, [09/01/21](#)]



**In March 2022, The Consumer Financial Protection Bureau (CFPB) Announced Plans To Scrutinize Discriminatory Conduct, As Did Former Director Corday In 2012, With A Particular Focus On Disparate Impact, Which Is Discrimination Taking The Form Of “Facially Neutral Polic[ies] That Disproportionately Harm Members Of Protected Classes.”**

**In March 2022, The Consumer Financial Protection Bureau (CFPB) Announced Plans To Scrutinize Discriminatory Conduct In Consumer Finance, As Did Former Director Corday In 2012, When The CFPB Recognized The Disparate Impact Doctrine.**

**March 2022: The Consumer Financial Protection Bureau (CFPB) Announced Plans To “Closely Examine Financial Institutions’ Decision-Making In Advertising, Pricing, And Other Areas” To Scrutinize Discriminatory Conduct That Violated The Federal Prohibition Against Unfair Practices.**

“Today the Consumer Financial Protection Bureau (CFPB) announced changes to its supervisory operations to better protect families and communities from illegal discrimination, including in situations where fair lending laws may not apply. In the course of examining banks’ and other companies’ compliance with consumer protection rules, the CFPB will scrutinize discriminatory conduct that violates the federal prohibition against unfair practices. The CFPB will closely examine financial institutions’ decision-making in advertising, pricing, and other areas to ensure that companies are appropriately testing for and eliminating illegal discrimination.” [Consumer Financial Protection Bureau, [03/16/22](#)]

- **Press Release: CFPB Targets Unfair Discrimination in Consumer Finance.** [Consumer Finance Protection Bureau, [03/16/22](#)]

**April 2012: Under Former Direct Corday, The CFPB Previously Utilized “Disparate Impact” To Pursue Discriminatory Practices By Lenders, As Reaffirmed In A Compliance Bulletin.** “Today, the Consumer Financial Protection Bureau (CFPB) announced that it will use all available legal avenues, including disparate impact, to pursue lenders whose practices discriminate against consumers. The Bureau will equip consumers with the information they need to spot the warning signs of discrimination. [...] In a Compliance Bulletin released today, the Bureau is also reaffirming its commitment to enforcing the ECOA, by recognizing the disparate impact doctrine. Disparate impact occurs when a lender’s practices or policies are facially neutral but have discriminatory effects. Sometimes these practices meet a legitimate business need that cannot reasonably be achieved as well by means that are less disparate in their impact. But sometimes they do not.” [Consumer Financial Protection Bureau, [04/18/12](#)]

**Disparate Impact—Discrimination That Takes The Form Of “Facially Neutral Polic[ies] That Disproportionately Harm Members Of Protected Classes” Or “Do Not Advance A Legitimate Interest”—Is Not Always Considered To Be Covered By Antidiscrimination Laws.**

**While Disparate Treatment Is When “An Entity Explicitly Or Intentionally” Discriminates, Disparate Impact Does Not Require Intent, Taking The Form Of “Facially Neutral Polic[ies] That Disproportionately Harm Members Of Protected Classes” Or “Do Not Advance A Legitimate Interest.”**

“As an initial matter, the two traditional forms of discrimination liability are disparate treatment and disparate impact. Disparate treatment occurs when an entity explicitly or intentionally treats people differently based on prohibited factors, such as race, national origin, or sex. Unlike disparate treatment, disparate impact does not require any showing of intent to discriminate or that the protected characteristic was considered at all by the defendant. Instead, the focus of disparate impact is on effects and outcomes. Generally, unlawful disparate impact occurs when a (1) facially neutral policy or practice disproportionately harms members of protected

classes, and either (2) the policy or practice does not advance a legitimate interest, or (3) is not the least discriminatory way to serve that interest.” [Student Borrower Protection Center, [April 2021](#)]

**Antidiscrimination Laws Prohibit Intentional Discrimination–Disparate Treatment–But Not All Of Those Laws Have Been Interpreted To Prohibit Disparate Impact, Resulting In Gaps In Enforcing Antidiscrimination.** “The existing patchwork of antidiscrimination laws creates anomalies, even just within financial services markets. For example, financial regulatory agencies focus on credit discrimination but historically have not regulated discrimination related to other core consumer financial activities like opening checking accounts, credit reporting, or third-party debt collection. Moreover, while all antidiscrimination laws prohibit intentional discrimination (sometimes called ‘disparate treatment’), not all have been interpreted to prohibit ‘disparate impact’ discrimination, which is an important tool for eliminating subtle forms of discrimination.” [Student Borrower Protection Center, [April 2021](#)]

**Some Of The Largest U.S. Banks Have Collectively Paid Over \$1.14 Billion In Racial Discrimination Settlements After Steering Black And Latino Borrowers Into “Subprime Mortgages,” Charging Higher Interest Rates On Loans For Borrowers Of “African-American, Hispanic, And Asian Descent,” And Denying Spanish Speaking Consumers Certain Credit Promotions, Among Other Discriminatory Actions.**

**In August 2017, American Express Paid Around \$96 Million For Providing “Inferior” Credit To Consumers Outside Of The United States And Discriminating Against “Consumers With Spanish-Language Preferences.”**

**August 2017: The CFPB Reached A Settlement With American Express For Providing “Inferior” Credit And Charge Terms To Puerto Rico, The U.S. Virgin Islands And Other U.S. Territories And Discriminating Against “Consumers With Spanish-Language Preferences.”** “The Consumer Financial Protection Bureau (CFPB) today took action against two American Express banking subsidiaries for discriminating against consumers in Puerto Rico, the U.S. Virgin Islands, and other U.S. territories by providing them with credit and charge card terms that were inferior to those available in the 50 states. American Express also discriminated against certain consumers with Spanish-language preferences. Over the course of at least ten years, more than 200,000 consumers were harmed by American Express’ discriminatory practices, which included charging higher interest rates, imposing stricter credit cutoffs, and providing less debt forgiveness.” [Consumer Financial Protection Bureau, [08/23/17](#)]

- **American Express' Credit Cards Are Administered Through Its Bank Subsidiaries "American Express Centurion Bank And American Express Bank."** "American Express Centurion Bank and American Express Bank, FSB are both bank subsidiaries of American Express Company that administer American Express Company’s credit and charge card lines of business." [Consumer Financial Protection Bureau, [08/23/17](#)]

**American Express Paid Around \$95 Million In Consumer Redress And Was Required To Pay At Least Another \$1 Million To Fully Compensate Harmed Consumers.** “American Express has paid approximately \$95 million in consumer redress during the course of the Bureau’s review and American Express’ review, and today’s order requires it to pay at least another \$1 million to fully compensate harmed consumers.” [Consumer Financial Protection Bureau, [08/23/17](#)]

**In September 2015, Fifth Third Bank Paid \$18 Million For Charging “Higher Dealer Markups” To Black And Latino Borrowers.**

**September 2015: The CFPB Filed Actions Against Fifth Third Bank For Discriminatory Auto Loan Pricing, Requiring Them “To Pay \$18 Million To Harmed African-American And Hispanic Borrowers.”**

“Today the Consumer Financial Protection Bureau (CFPB) announced two separate actions against Fifth Third Bank, for discriminatory auto loan pricing and for illegal credit card practices. The joint CFPB and Department of Justice (DOJ) auto-lending enforcement action requires Fifth Third to change its pricing and compensation system to minimize the risks of discrimination, and to pay \$18 million to harmed African-American and Hispanic borrowers.” [Consumer Financial Protection Bureau, [09/28/15](#)]

- **The CFPB And DOJ Found That Fifth Third’s Policies Resulted In “Minority Borrowers Paying Higher Dealer Markups,” Injuring Thousands Of Minority Borrowers From January 2010 Through September 2014 Who Were Charged Hundreds More For Their Auto Loans.** “The CFPB and DOJ’s joint investigation concluded that Fifth Third’s policies: Resulted in minority borrowers paying higher dealer markups: Fifth Third violated the Equal Credit Opportunity Act by charging African-American and Hispanic borrowers higher dealer markups for their auto loans than non-Hispanic white borrowers. These markups were without regard to the creditworthiness of the borrowers. Injured thousands of minority borrowers: Fifth Third’s illegal discriminatory pricing and compensation structure meant thousands of minority borrowers from January 2010 through September 2015 were charged, on average, over \$200 more for their auto loans.” [Consumer Financial Protection Bureau, [09/28/15](#)]

**In July 2012, Wells Fargo Paid \$233.4 Million In “The Second Largest Fair Lending Settlement” With The Department Of Justice For Discriminating Against Around 4,000 Black And Latino Borrowers By Steering Them Into “Subprime Mortgages” From 2004 Through 2009.**

July 2012: The Department Of Justice Filed “The Second Largest Fair Lending Settlement” Of \$233.4 Million—\$184.3 Million To Borrowers Steered Into Subprime Mortgages And \$50 Million In “Direct Down Payment” To Communities With “Large Numbers Of Discrimination Victims And Which Were Hard Hit By The Housing Crisis”—With Wells Fargo For Engaging In A “Pattern Of Discrimination Against African-American And Hispanic Borrowers” From 2004 Through 2009 “The Department of Justice today filed the second largest fair lending settlement in the department’s history to resolve allegations that Wells Fargo Bank, the largest residential home mortgage originator in the United States, engaged in a pattern or practice of discrimination against qualified African-American and Hispanic borrowers in its mortgage lending from 2004 through 2009. The settlement provides \$184.3 million in compensation for wholesale borrowers who were steered into subprime mortgages or who paid higher fees and rates than white borrowers because of their race or national origin. Wells Fargo will also provide \$50 million in direct down payment assistance to borrowers in communities around the country where the department identified large numbers of discrimination victims and which were hard hit by the housing crisis.” [The U.S. Department of Justice, [07/12/12](#)]

- **From 2004 To 2007, Wells Fargo Steered Around 4,000 African-American And Latino Borrowers Into “Subprime Mortgages,” While White Borrowers With Similar Credit Received Prime Loans.** “The settlement, which is subject to court approval, was filed today in the U.S. District Court for the District of Columbia in conjunction with the department’s complaint, which alleges that between 2004 and 2008, Wells Fargo discriminated by steering approximately 4,000 African-American and Hispanic wholesale borrowers, as well as additional retail borrowers, into subprime mortgages when non-Hispanic white borrowers with similar credit profiles received prime loans.” [The U.S. Department of Justice, [07/12/12](#)]

**In December 2012, Countrywide Financial Corporation, Which Was Bought By Bank Of America In 2008, Entered The “Largest Fair Lending Settlement” For \$335 Million For Charging Black And Latino Borrowers “Higher Fees And Interest Rates” And Steering Black And Latino Borrowers Into Subprime Mortgages.**



**December 2012: Countrywide Financial Corporation Agreed To Pay \$335 Million In The “Largest Residential Fair Lending Settlement” For Engaging In A Widespread Pattern Of “Discrimination Against Qualified African-American And Latino Borrowers From 2004 To 2008.”** “The Department of Justice today filed its largest residential fair lending settlement in history to resolve allegations that Countrywide Financial Corporation and its subsidiaries engaged in a widespread pattern or practice of discrimination against qualified African-American and Hispanic borrowers in their mortgage lending from 2004 through 2008. The settlement provides \$335 million in compensation for victims of Countrywide’s discrimination during a period when Countrywide originated millions of residential mortgage loans as one of the nation’s largest single-family mortgage lenders.” [The U.S. Department of Justice, [12/21/12](#)]

- **January 2008: Bank Of American Announced Plans To Purchase Mortgage Lender Countrywide Financial Group For \$4 Billion.** “Bank of America Corp said on Friday it would buy mortgage lender Countrywide Financial Corp for \$4 billion in a move that could avert one of the biggest collapses in the U.S. housing crisis.” [Reuters, [01/10/08](#)]

**Countrywide Was Alleged To Have Charged More Than 200,000 Black And Latino Borrowers “Higher Fees And Interests Rates Than Non-Hispanic White Borrowers” And To Have Steered Thousands Of Black And Latino Borrowers Into Subprime Mortgages.** “The settlement, which is subject to court approval, was filed today in the U.S. District Court for the Central District of California in conjunction with the department’s complaint which alleges that Countrywide discriminated by charging more than 200,000 African-American and Hispanic borrowers higher fees and interest rates than non-Hispanic white borrowers in both its retail and wholesale lending. The complaint alleges that these borrowers were charged higher fees and interest rates because of their race or national origin, and not because of the borrowers’ creditworthiness or other objective criteria related to borrower risk. The United States also alleges that Countrywide discriminated by steering thousands of African-American and Hispanic borrowers into subprime mortgages when non-Hispanic white borrowers with similar credit profiles received prime loans. All the borrowers who were discriminated against were qualified for Countrywide mortgage loans according to Countrywide’s own underwriting criteria.” [The U.S. Department of Justice, [12/21/12](#)]

### **In January 2017, JPMorgan Chase & Co. Agreed To Pay \$55 Million After The Justice Department Alleged The Firm Allowed Mortgage Brokers To Discriminate Against Minority Borrowers On Home Loans.**

**January 2017: JPMorgan Chase & Co. Agreed To Pay \$55 Million To Settle A Justice Department Suit Which Accused To Bank "Of Discriminating Against Minority Borrowers By Allowing Mortgage Brokers To Charge Them More For Home Loans."** "JPMorgan Chase & Co has agreed to pay \$55 million to settle a U.S. Justice Department lawsuit accusing it of discriminating against minority borrowers by allowing mortgage brokers to charge them more for home loans, a person familiar with the matter said on Wednesday." [Reuters, [01/18/17](#)]

- **According To The Justice Department, JPMorgan Discriminated On "So-Called Wholesale Loans That Were Made Through Mortgage Brokers The Bank Used To Help Originate Loans."** "The alleged discrimination involved so-called wholesale loans that were made through mortgage brokers the bank used to help originate loans, the complaint said. Chase allowed brokers to change rates charged for loans from those initially set based on objective credit-related factors, the complaint said." [Reuters, [01/18/17](#)]

### **In December 2013, Ally Bank Was Ordered To Pay \$98 Million By The Justice Department And CFPB For Charging Higher Interest Rates On Auto Loans For Borrowers Of "African-American, Hispanic, And Asian" Descent."**

**December 2013: Ally Financial, Inc. Agreed To Pay \$98 Million To Consumers Who Were Harmed By The Bank’s Discriminatory Practices Which Charged Higher Interest Rates For Auto Loans To**

**Customers Of 'African-American, Hispanic And Asian' Descent.** "The Consumer Financial Protection Bureau (CFPB) and Department of Justice (DOJ) today ordered Ally Financial Inc. and Ally Bank (Ally) to pay \$80 million in damages to harmed African-American, Hispanic, and Asian and Pacific Islander borrowers and \$18 million in penalties. The CFPB and DOJ determined that more than 235,000 minority borrowers paid higher interest rates for their auto loans between April 2011 and December 2013 because of Ally's discriminatory pricing system." [Consumer Financial Protection Bureau, [12/20/13](#)]

- **As Part Of The Settlement Agreement, Ally Financial Was Ordered To Pay An \$80 Million Fine To A Fund That Will Go To "Harmed African-American, Hispanic, And Asian And Pacific Islander Borrowers" And Was Also Ordered To Pay The CFPB's Civil Penalty Fund An Additional \$18 Million Fine.** "Under the order, Ally must: [...] Pay \$80 million in damages for consumer harm: Ally will pay \$80 million to a settlement fund that will go to harmed African-American, Hispanic, and Asian and Pacific Islander borrowers whose auto loans were purchased by Ally between April 2011 and December 2013. [...] Pay an \$18 million penalty: Ally will pay an \$18 million penalty to the CFPB's Civil Penalty Fund." [Consumer Financial Protection Bureau, [12/20/13](#)]

### **In June 2014, Synchrony Bank—Formerly Known As GE Retail Bank—Agreed To Pay \$225 Million In Fines For Deceptive And Discriminatory Practices, Including Denying Spanish Speaking Customers A Promotion Allowing Them To Pay Off A Remaining Credit Card Balance Debt With A Smaller Payment.**

**June 2014: The Consumer Financial Protection Bureau Fined Synchrony Bank—Formerly Known As GE Capital Retail Bank—\$225 Million For Deceptive And Discriminatory Marketing Practices That Led To The Bank Denying Credit Offers To Consumers Who "Indicated They Preferred To Communicate In Spanish Or Had A Mailing Address In Puerto Rico."** "The Consumer Financial Protection Bureau (CFPB) is ordering GE Capital Retail Bank (GE Capital), now known as Synchrony Bank, to provide an estimated \$225 million in relief to consumers harmed by illegal and discriminatory credit card practices." [Consumer Financial Protection Bureau, [06/19/14](#)]

- **The CFPB Found GE Capital Failed To Extend Promotions Allowing "Credit Card Customers With Delinquent Accounts To Settle Their Balances By Paying Off A Specific Portion Of Their Debt" To Those Who Indicated That They Preferred To Communicate In Spanish Or Had A Mailing Address In Puerto Rico.** "GE Capital had two different promotions that allowed credit card customers with delinquent accounts to settle their balances by paying off a specific portion of their debt. [...] GE Capital did not extend these offers to any customer who indicated that they preferred to communicate in Spanish or had a mailing address in Puerto Rico, even if the customer met the promotion's qualifications." [Consumer Financial Protection Bureau, [06/19/14](#)]
- **As Part Of The Fine, The CFPB Ordered Synchrony Bank To "End Illegal Discrimination" And "Provide \$169 Million To About 108,000 Borrowers Excluded From Debt Relief Offers Because Of Their National Origin."** "GE Capital must end all discriminatory credit practices. GE Capital has included qualified customers who prefer to communicate in Spanish and customers with a mailing address in Puerto Rico in the settlement offer since March 2012. GE Capital completely discontinued the statement credit offer in March 2012. [...] GE Capital must also provide \$169 million in relief to about 108,000 borrowers excluded from debt relief offers because of their national origin. The \$169 million represents the value of the offer that the consumer did not receive plus interest and indirect damages." [Consumer Financial Protection Bureau, [06/19/14](#)]

## **In March 2019, Citigroup Was Fined \$25 Million By The Office Of The Comptroller Of The Currency For Violating The Fair Housing Act After The Company Denied Mortgage Borrowers "Preferential Rates On The Basis Of Their Race, Color, Or Other Factors."**

**March 2019: The Office Of The Comptroller Of The Currency (OCC) Fined Citigroup \$25 Million For "Violating The Fair Housing Act By Denying Some Borrowers Preferential Rates On The Basis Of Their Race, Color Or Other Factors."** "The U.S. Office of the Comptroller of the Currency (OCC) said on Tuesday it had fined Citigroup \$25 million for violating the Fair Housing Act by denying some borrowers preferential rates on the basis of their race, color or other factors." [Reuters, [03/19/19](#)]

- **The OCC Found That Citigroup—Which In 2012 Instituted A Program To Provide Reduced Pricing For Mortgage Borrowers—Failed To Catch Errors That Resulted In "Some Mortgage Customers Failing To Receive The Benefit" Based On "Gender, Race, And Ethnicity."** "In 2012, Citi implemented a program that provided reduced pricing for mortgage borrowers that kept certain levels of assets with the bank, typically referred to as relationship pricing. The bank later identified some errors with the program which resulted in some mortgage customers failing to receive the benefit for which they were eligible, the OCC said. The errors affected borrowers across gender, race and ethnicity, in violation of the Fair Housing Act, the OCC found." [Reuters, [03/19/19](#)]

## **In 2012, SunTrust—Now Truist—Agreed To Pay A \$21 Million Settlement Over A Justice Department Suit Alleging The Lender "Violated The Fair Housing Act And Equal Credit Opportunity Act" By Charging Black And Latino Borrowers Higher Fees And Interest Rates Between 2005 And 2009.**

**May 2012: SunTrust—Now Truist—Agreed To Pay A \$21 Million Settlement Over A Department Of Justice Suit Accusing The Bank Of Lending Discrimination Between 2005 And 2009.** "SunTrust Mortgage Inc., the mortgage lending subsidiary of the nation's 11th-largest commercial bank, has agreed to pay \$21 million to resolve a lawsuit by the Department of Justice that it engaged in a pattern or practice of discrimination that increased loan prices for many of the qualified African-American and Hispanic borrowers who obtained loans between 2005 and 2009 through SunTrust Mortgage's regional retail offices and national network of mortgage brokers." [Department of Justice, [05/31/12](#)]

- **According To The Justice Department, SunTrust Mortgage "Violated The Fair Housing Act And Equal Credit Opportunity Act By Charging More than 20,000 African American And Hispanic Borrowers Higher Fees And Interest Rates Than Non-Hispanic White Borrowers."** "The settlement was filed in conjunction with the department's complaint that alleges SunTrust Mortgage violated the Fair Housing Act and Equal Credit Opportunity Act by charging more than 20,000 African-American and Hispanic borrowers higher fees and interest rates than non-Hispanic white borrowers, not based on borrower risk, but because of their race or national origin." [Department of Justice, [05/31/12](#)]

## **In December 2013, PNC Financial Services—Which Acquired National City Bank In 2008—Agreed To Pay A \$35 Million Settlement Over National City's Scheme To Overcharge Black And Hispanic Mortgage Borrowers.**

**December 2013: PNC Financial Agreed To A \$35 Million Settlement With The Department Of Justice And CFPB Over Allegations That National City Bank—Which PNC Acquired In 2008—"Systematically Overcharged Black And Hispanic Mortgage Borrowers."** "PNC Financial Services Group agreed to pay \$35 million to settle charges over allegations that the former National City Bank systematically overcharged black and Hispanic mortgage borrowers, the Pittsburgh Business Times reported." [Pittsburgh Business Times, [12/23/13](#)]

- **According To The DOJ and CFPB, National City Bank Charged "76,000 Black And Hispanic Borrowers" Significantly Higher Mortgages Based On "National City's Pricing And Compensation Scheme."** "The [Department of Justice and the Consumer Financial Protection Bureau] allege that between 2002 and 2008, over 76,000 [B]lack and Hispanic borrowers paid higher costs because of National City's pricing and compensation scheme. The settlement, which requires court approval, only applies to loans made by National City, and not PNC's mortgage lending arm." [Pittsburgh Business Times, [12/23/13](#)]
- **"In 2008, PNC Acquired National City Bank, Cleveland's Oldest Bank Known For Its Commercial Leadership, Service To Its Customers, And Its Contributions To The Community."** [PNC, accessed [07/25/22](#)]

**The American Bankers Association, Consumer Bankers Association, Independent Community Bankers Of America And U.S. Chamber Of Commerce Have Blasted The CFPB's Latest Actions "Target[ing] Unfair Discrimination In Consumer Finance."**

**In June 2022—Three Months After The CFPB Said It Was "Target[ing] Unfair Discrimination In Consumer Finance"—Four Major Industry Trade Groups Sector Released A Report Accusing The CFPB's Actions Of Stepping Outside Of The "Bounds Carefully Set By Congress."**

**In A March 2022 Press Release, The CFPB Said It Was "Target[ing] Unfair Discrimination In Consumer Finance," Including Announcing "Changes To Its Supervisory Operations To Better Protect Families And Communities From Illegal Discrimination."** "Today the Consumer Financial Protection Bureau (CFPB) announced changes to its supervisory operations to better protect families and communities from illegal discrimination, including in situations where fair lending laws may not apply. In the course of examining banks' and other companies' compliance with consumer protection rules, the CFPB will scrutinize discriminatory conduct that violates the federal prohibition against unfair practices. The CFPB will closely examine financial institutions' decision-making in advertising, pricing, and other areas to ensure that companies are appropriately testing for and eliminating illegal discrimination." [Consumer Financial Protection Bureau, [03/16/22](#)]

- **The CFPB Said It Published An "Updated Exam Manual" That Evaluated Unfair, Deceptive and Abusive Acts And Practices (UDAAPs), Including Actions That May Be Unintentional.** "The CFPB published an updated exam manual today for evaluating UDAAPs, which notes that discrimination may meet the criteria for 'unfairness' by causing substantial harm to consumers that they cannot reasonably avoid, where that harm is not outweighed by countervailing benefits to consumers or competition. Consumers can be harmed by discrimination regardless of whether it is intentional." [Consumer Financial Protection Bureau, [03/16/22](#)]

**In A June 2022 Report, The American Bankers Association, Consumer Bankers Association, Independent Community Of Bankers Of America And U.S. Chamber Of Commerce Blasted The CFPB's March 2022 Actions As "Taken Without Legislative Authority" In Order To" Extend Fair Lending Laws Beyond The Bounds Carefully Set By Congress."** "The American Bankers Association, the Consumer Bankers Association, the Independent Community Bankers Association, the U.S. Chamber of Commerce (the Associations) and our members oppose discrimination in any form and seek to treat all customers fairly. [...] However, we cannot support the CFPB's recent actions, taken without legislative authority, to extend fair lending laws beyond the bounds carefully set by Congress." [American Bankers Association, [06/28/22](#)]



- **In Its Report, The Four Trade Groups "Call[ed] On The CFPB To Rescind The Revised Examination Manual," Adding That "Congress Did Not Authorize Or Intend The CFPB To 'Fill the Gaps'" Between Its UDAAP Authority And Antidiscrimination Laws.** "The Associations call on the CFPB to rescind the revised examination manual. Congress did not authorize or intend for the CFPB to 'fill gaps' between the clearly articulated boundaries of antidiscrimination statutes with its UDAAP authority. However, if the CFPB believes additional authority is necessary to address alleged discriminatory conduct, we stand ready to work with Congress and the CFPB to explore that possibility and to ensure the just administration of the law." [American Bankers Association, [06/28/22](#)]

**Senator Pat Toomey (R-PA)—Who Has Accused The CFPB And Several State Federal Reserves Of Over-Stepping Its Authority To Enforce "Disparate Impact Liability" As Well As Politicizing Efforts To Address Racial Equity In Banking, Respectively—Has Taken At Least \$272,250 From Banks That Have Settled Discrimination Lawsuits And At Least \$152,000 From Trade Groups Opposing The CFPB's Actions On Bank Discrimination.**

**A Frequent Critic OF The CFPB Under Director Rohit Chopra, Senator Pat Toomey (R-PA) Recently Accused The CFPB Of Abusing Its Authority To Enforce "Disparate Impact Liability," And Has Also Criticized Federal Reserve Banks For Raising Issues On Racial Economic Justice In Banking.**

**April 2022: Sen. Pat Toomey (R-PA) Released A Statement Criticizing The CFPB Under Director Chopra For Citing Dodd-Frank As Authority To Go After "Unfair, Deceptive, Or Abusive Acts Or Practices," Including "Disparate Impact Liability."** "Now, I want to make clear that Congress charged the CFPB with enforcing laws that protect against discrimination in consumer finance. The CFPB should enforce those laws. But that's not what it's doing here. Instead, the CFPB unilaterally decided that Dodd-Frank's grant of authority to prevent unfair, deceptive, or abusive acts or practices, known as UDAAP, now includes disparate impact liability. [Senate Banking Committee, [04/26/22](#)]

- **Press Release Headline: "Toomey: Under Chopra, CFPB Is More Out Of Control Than Ever Before"** [United States Senate Committee On Banking, Housing, And Urban Affairs, [04/26/22](#)]

**Toomey Further Blasted Attempts By The CFPB To Use The Authority To Go After Practices Such As Overdraft Fees.** "The idea of disparate impact liability is that a statistical difference in outcomes between demographic groups is proof of discrimination even when there is no discriminatory intent. For example, if more Asian than Hispanic customers use a bank's overdraft service, and thus pay more in overdraft fees, the CFPB could claim the bank's overdraft policy has a disparate impact, and issue harsh punishments." [Senate Banking Committee, [04/26/22](#)]

**Disparate Impact Has Been Defined As "When Policies, Practices, Rules Or Other Systems That Appear To Be Neutral Result In A Disproportionate Impact On A Protected Group."** "Both disparate impact and disparate treatment refer to discriminatory practices. Disparate impact is often referred to as unintentional discrimination, whereas disparate treatment is intentional. The terms adverse impact and adverse treatment are sometimes used as an alternative. Disparate impact occurs when policies, practices, rules or other systems that appear to be neutral result in a disproportionate impact on a protected group. For example, testing all applicants and using results from that test that will unintentionally eliminate certain minority applicants disproportionately is disparate impact." [SHRM, accessed [07/25/22](#)]

- **The CFPB Defines Disparate Impact As When "A Creditor Employs Facially Neutral Policies Or Practices That Have An Adverse Effect Or Impact On A Member Of A Protected Class."** "The Consumer Financial Protection Bureau defines disparate impact as occurring when: 'A creditor employs



facially neutral policies or practices that have an adverse effect or impact on a member of a protected class unless it meets a legitimate business need that cannot reasonably be achieved by means that are less disparate in their impact." [Brookings Institution, [04/11/19](#)]

**September 2021: Senator Pat Toomey (R-PA) Released A Statement Claiming If Confirmed, Then CFPB Director Nominee Rohit Chopra Would "Return The CFPB To The Lawless, Overreaching, Highly Politicized Agency It Was During The Obama Administration."** "I have grave concerns that Commissioner Chopra would return the CFPB to the lawless, overreaching, highly politicized agency it was during the Obama administration." [Senate Banking Committee, [09/30/21](#)]

- **Toomey Further Accused Chopra Of "Tak[ing] Anti-Business Stances" As FTC Commissioner.** "At the FTC, Commissioner Chopra has continued to take anti-business stances. And he's continued to take a 'shoot first, aim later' approach for the facts in order to advance in agenda." [Senate Banking Committee, [09/30/21](#)]

**May 2021: Senator Toomey Wrote Letters To The Federal Reserve Banks Of Atlanta, Boston And Minneapolis Claiming Their "Recent Work On Racial Economic Equality" Was "At Odds With The Central Bank's Mandate."** "A Republican senator sent letters to three regional Federal Reserve bank leaders on Sunday seeking information about their recent work on racial economic equality, which he said he views as politicized activity that stands at odds with the central bank's mandate. Sen. Pat Toomey (R., Pa.) wrote to the leaders of the Atlanta, Boston and Minneapolis Federal Reserve banks. The latest letters follow one sent in March to the San Francisco Fed on its climate change and social focus, which he also deemed at odds with the central bank's mission." [The Wall Street Journal, [05/23/21](#)]

**Throughout His Federal Career, Senator Toomey Has Taken At Least \$272,250 From Banks That Have Made Racial Discrimination Settlements.**

**Sen. Toomey Has Taken At Least \$272,250 In Federal Career Contributions From Banks That Have Settled Discrimination Lawsuits:**

Bank	Career Contributions
American Express	<a href="#">\$25,000</a>
Fifth Third Bank	<a href="#">\$10,500</a>
Wells Fargo	<a href="#">\$22,500</a>
Bank of America	<a href="#">\$28,500</a>
JPMorgan Chase	<a href="#">\$50,250</a>
Ally Bank	<a href="#">\$6,000</a>
Synchrony Bank	<a href="#">\$12,500</a>
Citigroup	<a href="#">\$29,500</a>
Truist Bank / SunTrust Bank / BB&T	<a href="#">\$18,000</a>
PNC	<a href="#">\$69,500</a>
<b>TOTAL:</b>	<b>\$272,250</b>

*\*Career contributions include donations to sponsored leadership PACs*

**Throughout His Federal Career, Senator Toomey Has Taken At Least \$152,000 From Banking Trade Groups That Have Blasted The CFPB's Latest Actions.**

**Sen. Toomey Has Taken At Least \$152,000 In Federal Career Contributions From Banking Trade Associations:**

Trade Association	Career Contributions*
American Bankers Association	<a href="#">\$65,000</a>

Consumer Bankers Association	<a href="#">\$29,000</a>
Independent Community Bankers Of America	<a href="#">\$45,500</a>
U.S. Chamber Of Commerce	<a href="#">\$12,500</a>
<b>TOTAL: \$152,000</b>	

*\*Career contributions include donations to sponsored leadership PACs*

**Sen. Thom Tillis (R-NC)—Who Called the CFPB’s Policy on Disparate Impact A “Wholesale Rewrite’ Of The CFPB’s Exam Procedures”—Has Received At Least \$390,500 From Banks That Have Paid Fines For Discrimination Lawsuits And From Pro-Banking Trade Associations That Have Attacked The CFPB For Addressing Disparate Impact In The Banking Sector.**

**Senator Tillis (R-NC) Argued The CFPB’s New Supervisory Policy Was An Improper Expansion Of Disparate Impact, Calling It A “Wholesale Rewrite’ Of The CFPB’s Exam Procedures.”**

In Response To The CFPB’s Announcement On Discrimination In Financial Services, Senator Thom Tillis (R-NC) Argued The CFPB’s Rule Was An Improper Expansion Of Disparate Impact, Calling The Policy “A ‘Wholesale Rewrite’ Of The CFPB’s Exam Procedures.” “Also drawing Republican fire was a new CFPB policy announced last month that states discrimination not covered by federal fair lending laws can still qualify as a prohibited, unfair practice, a change that stands to open a wider range of financial services activity to anti-discrimination scrutiny. Sen. Thom Tillis, R-N.C., characterized the new policy as a ‘wholesale rewrite’ of the CFPB’s exam procedures, arguing that it will improperly expand the reach of disparate impact liability. He and other Republicans also raised concerns about the policy not having been put through a notice-and-comment process. ‘It’s almost as if you had the solution and didn’t need to seek [input],’ Tillis told Chopra.” [Law360, [04/26/22](#)]

**Throughout His Federal Career, Senator Tillis Has Taken At Least \$244,500 From Banks That Have Made Racial Discrimination Settlements.**

**Sen. Tillis Has Taken At Least \$244,500 In Federal Career Contributions From Banks That Have Settled Discrimination Lawsuits:**

<b>Bank</b>	<b>Career Contributions</b>
American Express	<a href="#">\$31,000</a>
Fifth Third Bank	<a href="#">\$20,000</a>
Wells Fargo	<a href="#">\$25,000</a>
Bank of America	<a href="#">\$35,000</a>
JPMorgan Chase	<a href="#">\$37,500</a>
Ally Bank	<a href="#">\$12,000</a>
Synchrony Bank	<a href="#">\$10,000</a>
Citigroup	<a href="#">\$19,000</a>
Truist Bank / SunTrust Bank / BB&T	<a href="#">\$17,500</a>
PNC	<a href="#">\$37,500</a>
<b>TOTAL: \$244,500</b>	

*\*Career contributions include donations to sponsored leadership PACs*

**Throughout His Federal Career, Senator Tillis Has Taken At Least \$146,000 From Banking Trade Groups That Have Blasted The CFPB's Latest Actions.**

Sen. Tillis Has Taken At Least \$152,000 In Federal Career Contributions From Banking Trade Associations:

Trade Association	Career Contributions*
American Bankers Association	\$66,500
Consumer Bankers Association	\$33,500
Independent Community Bankers Of America	\$26,000
U.S. Chamber Of Commerce	\$20,000
<b>TOTAL: \$146,000</b>	

*\*Career contributions include donations to sponsored leadership PACs*

**Sen. Jerry Moran (R-KS)—Who Attempted To Overturn The CFPB's 2013-02 Bulletin Regarding Disparate Impact On Indirect Liable Lenders—Has Received At Least \$354,850 From Banks That Have Paid Fines For Discrimination Lawsuits And From Pro-Banking Trade Associations That Have Attacked The CFPB For Addressing Disparate Impacts In The Banking Sector.**

**Senator Jerry Moran (R-KS) Introduced A Resolution Attempting To Overturn The CFPB's 2013-02 Bulletin, Which Included Plans To Apply Disparate Impact Theory To Hold Indirect Lenders Liable, Due To The Bureau's Concern "That Indirect Lenders Afforded Too Much Pricing Discretion To Dealers, Potentially Opening The Door To Discrimination Against Protected Groups."**

In 2018, Senator Jerry Moran (R-KS) introduced a resolution disapproving of and attempting to overturn the CFPB's 2013-02 Bulletin, which "set forth the CFPB's interpretation of the Equal Credit Opportunity Act as it applied to pricing in indirect automobile lending." "On May 8, the U.S. House of Representatives passed a resolution officially disapproving Bulletin 2013-02, issued by the Consumer Financial Protection Bureau in early 2013. The Senate passed a similar measure on April 18, meaning the resolution moves to President Trump's desk for signature. Though the Senate resolution passed narrowly in a party-line vote, the bill found bipartisan support in the House, passing 234 to 175. The bill is the latest in a line of agency guidance invalidated under the Congressional Review Act ('CRA'). The bill was initially introduced by Senator Jerry Moran (R-Kan.) in an effort to overturn Bulletin 2013-02, which set forth the CFPB's interpretation of the Equal Credit Opportunity Act ('ECO') as applied to pricing in indirect automobile lending." [Consumer Financial Law Services Monitor, [05/09/18](#)]

**The CFPB's 2013-02 Bulletin Came Out Of The Bureau's Concern "That Indirect Lenders Afforded Too Much Pricing Discretion To Dealers, Potentially Opening The Door To Discrimination Against Protected Groups," And Announced Plans To Apply Disparate Impact Theory To Hold These Lenders Liable.** "The Bulletin targeted dealer markups, a practice whereby an automobile dealer charges a consumer a higher interest rate than the rate at which an indirect lender is willing to purchase the consumer's retail installment contract. The Bureau expressed concern that indirect lenders afforded too much pricing discretion to dealers, potentially opening the door to discrimination against protected groups, including women, African-Americans, and Hispanics. Further, the Bureau also announced in the Bulletin its intent to use a disparate treatment or

disparate impact theory to hold an indirect auto lender liable for allowing prohibited pricing differences created by a dealer's conduct." [Consumer Financial Law Services Monitor, [05/09/18](#)]

**Throughout His Federal Career, Senator Moran Has Taken At Least \$344,850 From Banks That Have Settled Discrimination Lawsuits And Banking Industry Groups That Have Gone After The CFPB For Addressing Disparate Impacts In The Banking Industry.**

**Sen. Moran Has Taken At Least \$149,850 In Federal Career Contributions From Banks That Have Settled Discrimination Lawsuits:**

<b>Bank</b>	<b>Career Contributions</b>
American Express	<a href="#">\$24,500</a>
Wells Fargo	<a href="#">\$30,000</a>
Bank of America	<a href="#">\$13,500</a>
JPMorgan Chase	<a href="#">\$16,500</a>
Ally Bank	<a href="#">\$7,000</a>
Synchrony Bank	<a href="#">\$17,000</a>
Citigroup	<a href="#">\$15,000</a>
Truist Bank / SunTrust Bank / BB&T	<a href="#">\$22,000</a>
PNC	<a href="#">\$4,350</a>
<b>TOTAL:</b>	<b>\$149,850</b>

*\*Career contributions include donations to sponsored leadership PACs*

**Sen. Moran Has Taken At Least \$195,000 In Federal Career Contributions From Banking Trade Associations:**

<b>Trade Association</b>	<b>Career Contributions*</b>
American Bankers Association	<a href="#">\$104,000</a>
Consumer Bankers Association	<a href="#">\$29,500</a>
Independent Community Bankers Of America	<a href="#">\$59,000</a>
U.S. Chamber Of Commerce	<a href="#">\$2,500</a>
<b>TOTAL:</b>	<b>\$195,000</b>

*\*Career contributions include donations to sponsored leadership PACs*

**Sen. Mike Crapo (R-ID) Has Received At Least \$604,000 From Banks That Have Paid Fines For Discrimination Lawsuits And From Pro-Banking Trade Associations That Have Attacked The CFPB For Addressing Disparate Impacts In The Banking Sector.**

**Throughout His Federal Career, Senator Mike Crapo (R-ID) Has Taken At Least \$604,000 From Banks That Have Settled Discrimination Lawsuits And Banking Industry Groups That Have Gone After The CFPB For Addressing Disparate Impacts In The Banking Industry.**

**Sen. Crapo Has Taken At Least \$316,000 In Federal Career Contributions From Banks That Have Settled Discrimination Lawsuits:**

Bank	Career Contributions
American Express	<a href="#">\$27,500</a>
Fifth Third Bank	<a href="#">\$17,000</a>
Wells Fargo	<a href="#">\$40,500</a>
Bank of America	<a href="#">\$18,500</a>
JPMorgan Chase	<a href="#">\$45,500</a>
Ally Bank	<a href="#">\$9,000</a>
Synchrony Bank	<a href="#">\$15,000</a>
Citigroup	<a href="#">\$47,000</a>
Truist Bank / SunTrust Bank / BB&T	<a href="#">\$37,500</a>
PNC	<a href="#">\$58,500</a>
<b>TOTAL: \$316,000</b>	

**Sen. Crapo Has Taken At Least \$288,000 In Federal Career Contributions From Banking Trade Associations:**

Trade Association	Career Contributions*
American Bankers Association	<a href="#">\$113,500</a>
Consumer Bankers Association	<a href="#">\$72,000</a>
Independent Community Bankers Of America	<a href="#">\$102,500</a>
<b>TOTAL: \$288,000</b>	

*\*Career contributions include donations to sponsored leadership PACs*

**Sen. Richard Shelby (R-AL) Has Received At Least \$468,000 From Banks That Have Paid Fines For Discrimination Lawsuits And From Pro-Banking Trade Associations That Have Attacked The CFPB For Addressing Disparate Impacts In The Banking Sector.**

**Throughout His Federal Career, Senator Shelby (R-AL) Has Taken At Least \$468,000 From Banks That Have Settled Discrimination Lawsuits And Banking Industry Groups That Have Gone After The CFPB For Addressing Disparate Impacts In The Banking Industry.**

**Sen. Shelby Has Taken At Least \$295,000 In Federal Career Contributions From Banks That Have Settled Discrimination Lawsuits:**

Bank	Career Contributions
American Express	<a href="#">\$51,500</a>
Fifth Third Bank	<a href="#">\$11,000</a>
Wells Fargo	<a href="#">\$40,500</a>
Bank of America	<a href="#">\$42,000</a>
JPMorgan Chase	<a href="#">\$76,000</a>
Citigroup	<a href="#">\$22,000</a>
Truist Bank / SunTrust Bank / BB&T	<a href="#">\$27,000</a>
PNC	<a href="#">\$25,000</a>
<b>TOTAL: \$295,000</b>	

*\*Career contributions include donations to sponsored leadership PACs*



**Sen. Shelby Has Taken At Least \$173,000 In Federal Career Contributions From Banking Trade Associations:**

<b>Trade Association</b>	<b>Career Contributions*</b>
American Bankers Association	<a href="#">\$95,000</a>
Consumer Bankers Association	<a href="#">\$14,000</a>
Independent Community Bankers Of America	<a href="#">\$59,000</a>
U.S. Chamber Of Commerce	<a href="#">\$5,000</a>
<b>TOTAL: \$173,000</b>	

*\*Career contributions include donations to sponsored leadership PACs*

**Sen. Tim Scott (R-SC) Has Received At Least \$412,650 From Banks That Have Paid Fines For Discrimination Lawsuits And From Pro-Banking Trade Associations That Have Attacked The CFPB For Addressing Disparate Impacts In The Banking Sector.**

**Throughout His Federal Career, Senator Scott (R-SC) Has Taken At Least \$412,650 From Banks That Have Settled Discrimination Lawsuits And Banking Industry Groups That Have Gone After The CFPB For Addressing Disparate Impacts In The Banking Industry.**

**Sen. Scott Has Taken At Least \$256,150 In Federal Career Contributions From Banks That Have Settled Discrimination Lawsuits:**

<b>Bank</b>	<b>Career Contributions</b>
American Express	<a href="#">\$31,500</a>
Fifth Third Bank	<a href="#">\$2,500</a>
Wells Fargo	<a href="#">\$39,500</a>
Bank of America	<a href="#">\$14,500</a>
JPMorgan Chase	<a href="#">\$31,000</a>
Ally Bank	<a href="#">\$12,500</a>
Synchrony Bank	<a href="#">\$21,500</a>
Citigroup	<a href="#">\$26,000</a>
Truist Bank / SunTrust Bank / BB&T	<a href="#">\$36,000</a>
PNC	<a href="#">\$41,150</a>
<b>TOTAL: \$256,150</b>	

*\*Career contributions include donations to sponsored leadership PACs*

**Sen. Scott Has Taken At Least \$156,500 In Federal Career Contributions From Banking Trade Associations:**

<b>Trade Association</b>	<b>Career Contributions*</b>
American Bankers Association	<a href="#">\$76,000</a>
Consumer Bankers Association	<a href="#">\$28,000</a>
Independent Community Bankers Of America	<a href="#">\$50,000</a>
U.S. Chamber Of Commerce	<a href="#">\$2,500</a>
<b>TOTAL: \$156,500</b>	

*\*Career contributions include donations to sponsored leadership PACs*

**Sen. Mike Rounds (R-SD) Has Received At Least \$288,500 From Banks That Have Paid Fines For Discrimination Lawsuits And From Pro-Banking Trade Associations That Have Attacked The CFPB For Addressing Disparate Impacts In The Banking Sector.**

**Throughout His Federal Career, Senator Mike Rounds (R-SD) Has Taken At Least \$288,500 From Banks That Have Settled Discrimination Lawsuits And Banking Industry Groups That Have Gone After The CFPB For Addressing Disparate Impacts In The Banking Industry.**

**Sen. Rounds Has Taken At Least \$189,000 In Federal Career Contributions From Banks That Have Settled Discrimination Lawsuits:**

<b>Bank</b>	<b>Career Contributions</b>
American Express	<a href="#">\$3,500</a>
Fifth Third Bank	<a href="#">\$9,500</a>
Wells Fargo	<a href="#">\$27,500</a>
Bank of America	<a href="#">\$12,000</a>
JPMorgan Chase	<a href="#">\$21,000</a>
Ally Bank	<a href="#">\$11,000</a>
Synchrony Bank	<a href="#">\$14,500</a>
Citigroup	<a href="#">\$39,500</a>
Truist Bank / SunTrust Bank / BB&T	<a href="#">\$21,500</a>
PNC	<a href="#">\$29,000</a>
<b>TOTAL:</b>	<b>\$189,000</b>

*\*Career contributions include donations to sponsored leadership PACs*

**Sen. Rounds Has Taken At Least \$99,500 In Federal Career Contributions From Banking Trade Associations:**

<b>Trade Association</b>	<b>Career Contributions*</b>
American Bankers Association	<a href="#">\$40,000</a>
Consumer Bankers Association	<a href="#">\$10,000</a>
Independent Community Bankers Of America	<a href="#">\$42,000</a>
U.S. Chamber Of Commerce	<a href="#">\$7,500</a>
<b>TOTAL:</b>	<b>\$99,500</b>

*\*Career contributions include donations to sponsored leadership PACs*

**Sen. John Kennedy (R-LA)—Who Accused The CFPB Of Assuming Discrimination "All The Time"—Has Received At Least \$77,500 From Banks That Have Paid Fines For Discrimination Lawsuits And From Pro-Banking Trade Associations That Have Attacked The CFPB For Addressing Disparate Impacts In The Banking Sector.**

**In An April 2022 Senate Banking Committee Hearing, Senator John Kennedy (R-LA), Accused The CFPB Of "Assum[ing] Discrimination" "All The Time," During An Exchange With CFPB Director Rohit Chopra.**

April 2022: In An Exchange With CFPB Director Rohit Chopra, Senator John Kennedy Stated The Bureau "Assume[s] Discrimination," Adding "You Guys Do It All The Time":

KENNEDY: Yes. OK. Tell -- tell me about this approach at -- at your agency. I'm going to get the -- I didn't have time to look up the -- the correct term. I -- I think of it as statistical discrimination.

In other words, you look at a set of numbers and if there's a disparate racial impact you assume discrimination. Is that -- do you understand what I'm talking about?

CHOPRA: I -- I think I know what you're referencing. In our laws...

KENNEDY: Yes. We've got -- you guys do it all the time.

[Bloomberg Government, [04/27/22](#)]

**Throughout His Federal Career, Senator John Kennedy (R-LA) Has Taken At Least \$77,500 From Banks That Have Settled Discrimination Lawsuits And Banking Industry Groups That Have Gone After The CFPB For Addressing Disparate Impacts In The Banking Industry.**

Sen. John Kennedy Has Taken At Least \$23,500 In Federal Career Contributions From Banks That Have Settled Discrimination Lawsuits:

Bank	Career Contributions
Wells Fargo	<a href="#">\$9,500</a>
Bank of America	<a href="#">\$3,500</a>
JPMorgan Chase	<a href="#">\$2,000</a>
Ally Bank	<a href="#">\$1,000</a>
Citigroup	<a href="#">\$2,000</a>
Truist Bank / SunTrust Bank / BB&T	<a href="#">\$5,500</a>
<b>TOTAL: \$23,500</b>	

*\*Career contributions include donations to sponsored leadership PACs*

Sen. Kennedy Has Taken At Least \$54,000 In Federal Career Contributions From Banking Groups That Have Gone After The CFPB For Addressing Disparate Impact In The Banking Sector:

Trade Association	Career Contributions*
American Bankers Association	<a href="#">\$15,500</a>
Consumer Bankers Association	<a href="#">\$3,500</a>
Independent Community Bankers Of America	<a href="#">\$30,000</a>
U.S. Chamber Of Commerce	<a href="#">\$5,000</a>
<b>TOTAL: \$54,000</b>	

*\*Career contributions include donations to sponsored leadership PACs*

**Sen. Bill Hagerty (R-TN) Has Taken At Least \$32,500 From Banks That Have Settled Discrimination Lawsuits And From Banking Trade Groups That Have Gone After The CFPB For Addressing Disparate Impact In The Banking Sector.**

**Throughout His Federal Career, Senator Bill Hagerty (R-TN) Has Taken At Least \$32,500 In From Banks That Settled Discrimination Lawsuits And The American Bankers Association Which Authored A Report Calling On The CFPB To Rescind A Manual That Aimed To Address Disparate Impact In The Banking Sector.**

Sen. Hagerty Has Taken At Least \$22,500 In Federal Career Contributions From Banks That Settled Discrimination Lawsuits:

Bank	Career Contributions
Fifth Third Bank	<a href="#">\$1,500</a>
Bank of America	<a href="#">\$2,500</a>
Ally Bank	<a href="#">\$2,000</a>
Citigroup	<a href="#">\$6,000</a>
Truist Bank / SunTrust Bank / BB&T	<a href="#">\$4,500</a>
PNC	<a href="#">\$6,000</a>
<b>TOTAL: \$22,500</b>	

*\*Career contributions include donations to sponsored leadership PACs*

Sen. Hagerty Has Taken At Least \$10,000 In Federal Career Contributions From The American Bankers Association Which CFPB For Looking At Disparate Impact In The Banking Sector:

Trade Association	Career Contributions*
American Bankers Association	<a href="#">\$10,000</a>
<b>TOTAL: \$10,000</b>	

*\*Career contributions include donations to sponsored leadership PACs*

**Sen. Cynthia Lummis (R-WY) Has Taken At Least \$49,000 In Career Contributions From Wells Fargo And Bank Groups That Have Criticized The CFPB For Addressing Disparate Impact In The Banking Sector.**

**Throughout Her Federal Career, Senator Cynthia Lummis (R-WY) Has Taken At Least \$8,500 From Wells Fargo And \$40,500 From Bank Groups That Have Attacked The CFPB For Addressing Disparate Impact In The Banking Sector.**

Sen. Lummis Has Taken At Least \$8,500 In Federal Career Contributions From Wells Fargo:

Bank	Career Contributions
Wells Fargo	<a href="#">\$8,500</a>
<b>TOTAL: \$8,500</b>	

*\*Career contributions include donations to sponsored leadership PACs*

Sen. Lummis Has Taken At Least \$40,500 In Federal Career Contributions From Bank Trade Groups:

Trade Association	Career Contributions*
American Bankers Association	<a href="#">\$26,000</a>
Independent Community Bankers Of America	<a href="#">\$4,500</a>
U.S. Chamber Of Commerce	<a href="#">\$10,000</a>
<b>TOTAL: \$40,500</b>	

*\*Career contributions include donations to sponsored leadership PACs*

**Sen. Kevin Cramer (R-ND) Has Taken At Least \$115,000 In Career Contributions From Banks That Paid Fines And Settled Discrimination Lawsuits And From Pro-Banking Groups That Have Criticized The CFPB For Addressing Disparate Impact.**

**Throughout His Federal Career, Senator Kevin Cramer (R-ND) Has Taken At Least \$29,000 From Large Banks That Paid Fines For Discrimination And \$86,000 From Pro-Banking Trade Groups That Have Gone After The CFPB's Actions Looking At Disparate Impacts In The Sector.**

**Sen. Cramer Has Taken At Least \$29,000 From Banks That Have Settled Discrimination Lawsuits:**

Bank	Career Contributions
Wells Fargo	<a href="#">\$12,000</a>
JPMorgan Chase	<a href="#">\$4,500</a>
Ally Bank	<a href="#">\$4,000</a>
Citigroup	<a href="#">\$1,500</a>
Truist Bank / SunTrust Bank / BB&T	<a href="#">\$4,500</a>
PNC	<a href="#">\$2,500</a>
<b>TOTAL: \$29,000</b>	

*\*Career contributions include donations to sponsored leadership PACs*

**Sen. Cramer Has Taken At Least \$86,000 In Federal Career Contributions From Pro-Banking Trade Groups:**

Trade Association	Career Contributions*
American Bankers Association	<a href="#">\$45,000</a>
Consumer Bankers Association	<a href="#">\$13,500</a>
Independent Community Bankers Of America	<a href="#">\$26,500</a>
U.S. Chamber Of Commerce	<a href="#">\$1,000</a>
<b>TOTAL: \$86,000</b>	

*\*Career contributions include donations to sponsored leadership PACs*

**Sen. Steve Daines (R-MT) Has Received At Least \$207,500 From Banks That Have Paid Fines For Discrimination Lawsuits And From Pro-Banking Trade Associations That Have Attacked The CFPB For Addressing Disparate Impacts In The Banking Sector.**



**Throughout His Federal Career, Senator Steve Daines (R-MT) Has Taken At Least \$207,500 From Banks That Have Settled Discrimination Lawsuits And From Industry Groups That Have Criticized The CFPB For Looking At Disparate Impacts In The Banking Sector.**

**Sen. Daines Has Taken At Least \$110,000 In Federal Career Contributions From Banks That Settled Discrimination Lawsuits:**

<b>Bank</b>	<b>Career Contributions</b>
American Express	<a href="#">\$14,500</a>
Fifth Third Bank	<a href="#">\$3,000</a>
Wells Fargo	<a href="#">\$25,500</a>
Bank of America	<a href="#">\$6,000</a>
JPMorgan Chase	<a href="#">\$25,500</a>
Ally Bank	<a href="#">\$3,000</a>
Citigroup	<a href="#">\$15,000</a>
Truist Bank / SunTrust Bank / BB&T	<a href="#">\$10,000</a>
PNC	<a href="#">\$7,500</a>
<b>TOTAL: \$110,000</b>	

*\*Career contributions include donations to sponsored leadership PACs*

**Sen. Daines Ha Taken At Least \$97,500 From Bank Trade Associations:**

<b>Trade Association</b>	<b>Career Contributions*</b>
American Bankers Association	<a href="#">\$47,500</a>
Independent Community Bankers Of America	<a href="#">\$37,500</a>
U.S. Chamber Of Commerce	<a href="#">\$12,500</a>
<b>TOTAL: \$97,500</b>	

*\*Career contributions include donations to sponsored leadership PACs*