

December 19, 2022

Comment Intake—Auto Lending Data Gaps
Consumer Financial Protection Bureau
1700 G Street NW
Washington, DC 20552

Re: Enhancing Public Data on Auto Lending (Document ID CFPB-2022-0075-0001)

Dear CFPB Staff,

The American Bankers Association, American Financial Services Association, Consumer Bankers Association, Credit Union National Association, National Independent Automobile Dealers Association, National Association of Federally-Insured Credit Unions, and the U.S. Chamber of Commerce (“the Associations”) are writing in response to the Consumer Financial Protection Bureau’s (“CFPB” or “the Bureau”) announcement regarding data on auto lending. Below, we explain that the CFPB’s announcement contains insufficient information for a thorough response, question the assumptions in the CFPB’s announcement, and list some of the many sources of auto loan data already available.

I. Insufficient Information

The CFPB’s press release and attached document concerning the collection of information related to auto lending lack meaningful context, transparency, and direction. In the notice, the CFPB has not:

- (1) Stated the authority it is using for its request,
- (2) Explained what information it is looking for, nor
- (3) Asked any questions.

For these reasons, there is not sufficient information to enable the Associations to authoritatively respond.

Moreover, press releases are not the appropriate method for an agency to launch an initiative. A Request for Information (“RFI”) would have offered a far superior framework to ask for and collect information about auto lending data. After being informed by market research, an RFI would have afforded the CFPB the opportunity to outline its findings and gaps in the CFPB’s knowledge from open market research, while explaining the data sought and its relevance to the CFPB’s goals.

Furthermore, the CFPB has initiated discussions with some groups on this topic, but has not included all stakeholders. The Associations respectfully request that the CFPB include all relevant stakeholders in future discussions. A transparent process with all necessary stakeholders is essential and in line with policymaking requirements, as well as the Bureau’s mission to make consumer financial markets work for consumers, responsible providers, and the economy as a whole.

II. Assumptions

While the document the CFPB released does not request any specific information or ask any questions, it does contain a number of assumptions, some of which are incorrect.

For example:

- (1) The CFPB writes that the auto market has seen substantial and rapid change, but the only change it notes is that car prices have risen, leading to larger loan amounts and higher monthly payments. Nothing else is cited.
- (2) The CFPB notes the increase in auto loan delinquencies, but fails to explain that that is a correction from historically low delinquencies during the pandemic.
- (3) The CFPB expresses concern that market participants' ability to conduct their own independent summaries and analyses are limited. The signatories of this letter represent almost all, if not all, auto lenders in the United States, and we have no issue with our ability to identify and measure trends nor identify emerging risks and opportunities.

III. Available Sources of Data

Before the CFPB explores building a new dataset, we propose that the CFPB update its auto loan dashboard, available at <https://www.consumerfinance.gov/data-research/consumer-credit-trends/auto-loans/>, that has origination activity, inquiry activity, borrower risk profiles, lending by neighborhood relative income level, and lending by borrower age.

In addition to the concerns about the data collection, there are already ample data sources available to the CFPB. Below is a list of some of the sources for auto loan data that industry participants use.

- The Federal Reserve's Consumer Credit – G.19 Report
- The Federal Reserve's Finance Company – G.20 Report
- The Federal Reserve's Financial Accounts of the U.S. – Z.1
- Securitization data
- Cox Automotive Market Insights & Outlook / Kelley Blue Book
- Black Book
- Experian AutoCount
- TransUnion Auto Lending Solutions
- Equifax Automotive
- Infosys Automotive
- Big Wheels Auto Finance Data
- JD Power
- Auto Finance News
- Agora Data, Inc.
- Genpact
- Defi SOLUTIONS

- LexisNexis Risk Solutions
- Fortune Business Insights
- Moodys Analytics Auto Finance Risk Management Solutions
- Accenture Auto Finance Consulting Services & Solutions
- Edmunds

Thank you for your attention to these concerns.

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U.S. Chamber of Commerce