

Equal Credit Opportunity Act (ECOA)

Description:

This Act (Title VII of the Consumer Credit Protection Act) prohibits lending practices discrimination on the basis of race, color, religion, national origin, sex, marital status, age, receipt of public assistance, or good faith exercise of any rights under the Consumer Credit Protection Act. The Act also requires creditors to provide applicants, upon request, with the reasons underlying decisions to deny credit.

Dealer Relevancy:

- Prohibits discriminatory actions in credit transactions.
- Requires Adverse Action Notices when credit is denied. The Fair Credit Reporting Act also requires Adverse Action Notices in limited cases. For any given customer, requirements of both Acts may be satisfied by a single, appropriately formatted notice.

ECOA



Covered entities:

BHPH

3rd Party Finance

Rulemaking Authority:

CFPB

Federal Reserve