

September 22, 2025

Russ Vought  
Acting Director  
Consumer Financial Protection Bureau  
1700 G St. NW  
Washington, DC 20552

**Re: Advance Notices of Proposed Rulemaking (ANPRMs) — Defining Larger Participants in the Automobile Financing Market (Docket No. CFPB-2025-0029), Consumer Reporting Market (Docket No. CFPB-2025-0031), Debt Collection Market (Docket No. CFPB-2025-0030), and International Money Transfer Market (Docket No. CFPB-2025-0025)**

Dear Acting Director Vought:

On behalf of UnidosUS, we respectfully submit these comments in response to the Consumer Financial Protection Bureau's (CFPB) four Advance Notices of Proposed Rulemaking (ANPRMs) on redefining "larger participants" in the auto financing, consumer reporting, debt collection and international money transfer markets. We are concerned that these proposals would significantly narrow the bureau's supervisory authority over nonbank financial companies and lead to serious consequences for Latinos and working-class families.

UnidosUS, previously known as NCLR (National Council of La Raza), is the nation's largest Hispanic civil rights and advocacy organization. Through its unique combination of expert research, advocacy, programs and an Affiliate Network of nearly 300 community-based organizations across the United States and Puerto Rico, UnidosUS simultaneously challenges the social, economic and political barriers at local and national levels.

UnidosUS publishes reports, provides testimony and advocates for policies that protect consumers, make financial services more inclusive and improve the economic well-being of working-class people and the Latino community. For example, last year, we testified before the U.S. Senate Committee on Banking, Housing, and Urban Affairs in a hearing focused on consumer protections and junk fees that impact working-class consumers and Latinos. Our research and analysis include publications such as "Banking in Color: New Findings on Financial Access for Low- and Moderate-Income Communities" (2014), "The Future of Banking: Overcoming Barriers to Financial Inclusion for Communities of Color" (2019), and "Second Edition of our Latino Banking and Financial Health Survey" (2024).

## ***The Importance of Broad Supervision to Consumers and the Market***

Congress created the CFPB after the Great Recession to provide robust, flexible oversight of consumer financial markets, including nonbanks. Since its creation, the bureau has been effective in protecting consumers. For example, over the last 15 years the bureau returned more than \$21 billion to consumers while operating with a budget of less than \$700 million, or 0.01% of the federal budget.<sup>1</sup>

Debilitating the effectiveness of the CFPB, whether through reductions in funding or reforms that limit its supervision authority, would increase costs for working-class families and Latinos at a time when workers are struggling economically. Consider that the bottom half of wage earners make almost the same today as in the 1970s (adjusted for inflation). Furthermore, 60% of Americans say they are living paycheck to paycheck<sup>2</sup> as they manage unprecedented housing affordability stress,<sup>3</sup> all-time high debts<sup>4</sup> and elevated levels of poverty.<sup>5</sup>

Supervision is not just about enforcement; it is a preventive tool that deters harmful practices, ensures compliance with the law, and provides consumers with redress when abuses and discrepancies occur. Narrowing the scope of supervision by raising the thresholds for “larger participants” would strip the bureau of flexibility to respond to emerging risks, market shocks and patterns of consumer harm. It would also undermine fair competition, giving unsupervised nonbanks an unfair advantage over banks that remain subject to multiple layers of federal oversight.

The CFPB’s supervision does not just benefit individual consumers; it also benefits financial institutions by promoting fair competition. We agree with the Consumer Federation of America’s letter in response to these proposals when they explain that supervision “promotes fair competition in each of these marketplaces by ensuring that everyone has to play by the same rules. Consistent supervision protects law-abiding companies from being forced to compete with those who violate the law or take advantage of individuals.”<sup>6</sup> They go on to explain that in auto financing and remittance markets, nonbank companies “compete with banks that provide the same services, but the CFPB is the only federal regulator that supervises their conduct as nonbanks.”<sup>7</sup> If CFPB supervision is scaled back in these markets, nonbanks will have a significant advantage over financial institutions that remain supervised by other regulatory entities.

Finally, the bureau’s current definitions already allow it to prioritize resources without rewriting the rules. Raising thresholds could reduce supervision from thousands of firms to only a handful in each market. That change would leave consumers with fewer protections and the bureau with less visibility into the conduct of hundreds of companies.

## Overview of the Bureau’s Advance Notice of Proposed Rulemakings (ANPRM)

The CFPB is considering raising the thresholds that define which nonbank companies are deemed “larger participants” in four key consumer financial markets. The table below highlights the number of institutions that would be supervised under the new proposals.

**Table: Impact of Proposed CFPB Threshold Changes on Supervised Nonbank Market Coverage**

Market	Current Threshold and Market Coverage	Proposed Thresholds	Market Coverage (est.)
<b>Automobile Financing</b>	10,000 originations/year → 63 entities	300,000; 550,000; 1,050,000 originations/year	At 1,050,000 → 5 entities accounting for 42% of market activity
<b>Consumer Reporting</b>	\$7 million in annual receipts → 36 entities	\$41M annual receipts	At \$41M → ~6 entities
<b>Consumer Debt Collection</b>	\$10 million in annual receipts → between 2,500 and 3,000 entities	\$25M; \$50M; \$100M annual receipts	At \$100M → between 11 and 64 larger participants and 18% and 51% of total revenues
<b>International Money Transfers</b>	1 million transfers/year → 28 entities	10M; 30M; 50M transfers/year	At 50M → ~4 entities and 61% of transfers covered

The bureau stated that its motivation is to “reduce compliance burdens” and “avoid the diversion of CFPB limited resources.” However, the new threshold would provide less flexibility to examine market participants, particularly midsize companies that have significant consumer impact.

### Market-Specific Concerns

*Auto Financing.* Americans now owe more than \$1.6 trillion in auto debt, with defaults and repossessions climbing in recent years.<sup>8</sup> Latino borrowers, who often face higher interest rates and limited financing options, are especially vulnerable to abusive practices.<sup>9</sup> Yet under the proposed thresholds, supervision could shrink to just a few companies, excluding those that specialize in subprime lending, which is the segment where abuses are most prevalent.

*Consumer Reporting.* Credit and specialty reports affect whether consumers can secure housing, jobs, bank accounts and insurance. According to a 2024 study by the Congressional Research Service, consumer reporting is the most common category of complaints to the CFPB.<sup>10</sup> Raising the supervisory threshold from \$7 million to as high as \$41 million in annual receipts would exempt around 30 firms that impact consumers’ daily transactions. Latino communities are more likely to have thin credit files or encounter errors in their credit reports and will be more at risk than other groups if oversight of consumer reporting agencies is reduced.<sup>11</sup>

*Debt Collection.* Debt collection is one of the top sources of consumer complaints to the CFPB, with more than 100,000 complaints in 2023 alone.<sup>12</sup> Latino households carry higher levels of medical debt and unsecured credit than other groups and are disproportionately subject to collection activities.<sup>13</sup> Weakening supervision by limiting coverage to only a handful of the largest collectors would leave many consumers without adequate protection, particularly as recent court decisions have narrowed private avenues for enforcement of the Fair Debt Collection Practices Act.<sup>14</sup>

*International Money Transfers.* Remittances are a lifeline for Latino families, both domestically and abroad, with billions of dollars sent from the United States to Latin America each year. In 2023, about 10 million people in the United States sent approximately \$79.15 billion in remittances abroad, making it the largest source of remittances globally.<sup>15</sup> Yet under the proposed changes, the CFPB would supervise as few as four providers, leaving midsize companies unexamined despite their critical role in serving consumers with families abroad. Without robust supervision, families risk facing hidden fees, misleading disclosures and inadequate error resolution.<sup>16</sup>

***Conclusion: The Bureau's Proposed Changes Are Unnecessary and Will Leave Working-Class and Latino Consumers with Fewer Consumer Protections***

The CFPB's supervision program has returned billions of dollars to harmed consumers and improved industry compliance by maintaining a meaningful presence as a financial watchdog. Narrowing the definition of larger participants, as proposed in these ANPRMs, would undo that progress and signal to the marketplace that harmful practices will go unchecked. Latinos and working-class families, who already bear disproportionate financial risks, cannot afford a rollback of protections.

We urge the bureau to maintain its current thresholds for defining larger participants across all four markets. Doing so will preserve the CFPB's flexibility, protect vulnerable communities and advance the agency's mission to ensure fair and transparent consumer financial markets.

## Notes

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- <sup>1</sup> J.J. McCorvey, "What's at Stake for Consumers as Trump Officials Target the CFPB," *NBC News*, February 10, 2025, <https://www.nbcnews.com/business/consumer/s-stake-consumers-trump-officials-target-cfpb-rcna191467>.
- <sup>2</sup> Aimee Picchi, "More than 60% of Americans Are Living Paycheck to Paycheck. Here's What Researchers Say Is to Blame." *CBS News*, August 31, 2023, <https://www.cbsnews.com/news/paycheck-to-paycheck-6-in-10-americans-lendingclub/>.
- <sup>3</sup> Peyton Whitney, "Housing Cost Burdens Climb to Record Levels (Again) in 2023," Joint Center for Housing Studies of Harvard University, December 3, 2024, <https://www.jchs.harvard.edu/blog/housing-cost-burdens-climb-record-levels-again-2023>.
- <sup>4</sup> Alexandre Tanzi and Jonnelle Marte, "Household Debt at New Record is Squeezing Low-Income Americans," *Bloomberg News*, November 13, 2024, <https://www.bloomberg.com/news/articles/2024-11-13/household-debt-at-new-record-is-squeezing-low-income-americans?embedded-checkout=true>.
- <sup>5</sup> "Number in Poverty and Poverty Rate Using the Official Poverty Measure: 1959 to 2023," U.S. Census Bureau, 2024, <https://www.census.gov/content/dam/Census/library/visualizations/2024/demo/p60-283/figure1.pdf>.
- <sup>6</sup> Consumer Federation of America, Comment Letter on CFPB ANPRs: Defining Larger Participants (Docket No. CFPB-2025-0029-0013, submitted to the Consumer Financial Protection Bureau, September 22, 2025), <https://www.regulations.gov/comment/CFPB-2025-0029-0013>.
- <sup>7</sup> Ibid.
- <sup>8</sup> Federal Reserve Bank of New York Research and Statistics Group, "Household Debt and Credit," Federal Reserve Bank of New York, Spring 2025, <https://www.newyorkfed.org/microeconomics/hhdc.html>.
- <sup>9</sup> Jonathan Lanning, "Evidence of Racial Discrimination in the \$1.4 Trillion Auto Loan Market," *ProfitWise News and Views* no. 1 (2023), <https://www.chicagofed.org/publications/profitwise-news-and-views/2023/discrimination-auto-loan-market>.
- <sup>10</sup> Cheryl R. Cooper and Graham C. Tufts. *CFPB Consumer Complaints: U.S. and Congressional District Data*, IN12315 (Congressional Research Service, 2024), <https://www.congress.gov/crs-product/IN12315>.
- <sup>11</sup> Consumer Financial Protection Bureau, *Disputes on Consumer Credit Reports* (Consumer Financial Protection Bureau, 2021), [https://files.consumerfinance.gov/f/documents/cfpb\\_disputes-on-consumer-credit-reports\\_report\\_2021-11.pdf](https://files.consumerfinance.gov/f/documents/cfpb_disputes-on-consumer-credit-reports_report_2021-11.pdf).
- <sup>12</sup> Consumer Financial Protection Bureau, *Consumer Response Annual Report, January 1 – December 31, 2023* (Consumer Financial Protection Bureau, 2024), [https://files.consumerfinance.gov/f/documents/cfpb\\_cr-annual-report\\_2023-03.pdf](https://files.consumerfinance.gov/f/documents/cfpb_cr-annual-report_2023-03.pdf).
- <sup>13</sup> Consumer Financial Protection Bureau, *Medical Debt Burden in the United States* (Consumer Financial Protection Bureau, 2022), [https://files.consumerfinance.gov/f/documents/cfpb\\_medical-debt-burden-in-the-united-states\\_report\\_2022-03.pdf](https://files.consumerfinance.gov/f/documents/cfpb_medical-debt-burden-in-the-united-states_report_2022-03.pdf).
- <sup>14</sup> *Perez v. McCreary, Veselka, Bragg*, No. 21-50958 (5th Cir. 2022), <https://law.justia.com/cases/federal/appellate-courts/ca5/21-50958/21-50958-2022-08-15.html>.
- <sup>15</sup> International Organization for Migration, "International Remittances," in *World Migration Report 2024*, Chapter 2, May 2024, [https://worldmigrationreport.iom.int/what-we-do/world-migration-report-2024-chapter-2/international-remittances#:~:text=For%20decades%2C%20the%20United%20States,Germany%20\(USD%2025.60%20billion](https://worldmigrationreport.iom.int/what-we-do/world-migration-report-2024-chapter-2/international-remittances#:~:text=For%20decades%2C%20the%20United%20States,Germany%20(USD%2025.60%20billion).
- <sup>16</sup> Consumer Financial Protection Bureau, "Supervisory Highlights: Junk Fees Update, Special Edition, Issue 31, Fall 2023" *Federal Register* 88, no. 199 (October 17, 2023): 71534, <https://www.federalregister.gov/documents/2023/10/17/2023-22869/supervisory-highlights-junk-fees-update-special-edition-issue-31-fall-2023>.