

**Working Cars for Working  
Families Annual Meeting:  
*Real Progress, Real  
Opportunities***

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By

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From traffic jams on the Beltway to street closures for motorcades, our nation's capital is no stranger to automotive issues. But the group that met at the Federal Reserve Board in Washington, D.C., on October 29, 2010, was focused on a different set of car-related concerns. For several years, a group of consumer advocates, car-ownership non-profits, lenders, and foundations—now known as Working Cars for Working Families—have convened a meeting to further the goal of ensuring that working families can get and keep a reliable car at fair terms.

Hosted by the Board of Governors of the Federal Reserve System, the Federal Reserve Bank of Richmond, the Annie E. Casey Foundation, and the National Consumer Law Center, the “Working Cars for Working Families: *Real Progress, Real Opportunities*” conference brought together over sixty participants from a range of backgrounds. Advocates, academics, government regulators, practitioners, and others examined the vital importance of a car to family economic success, the hurdles to car ownership that families face, what efforts are currently being made to overcome these obstacles, and what more can be done to facilitate successful car ownership by families.

Speakers brought a range of valuable perspectives to these complex issues. Kimberly Zeuli with the Federal Reserve Bank of Richmond, Martin Schwartz with Vehicles for Change, and Evelyn Blumenberg with the School of Public Affairs at the University of California Los Angeles looked at existing statistical and anecdotal evidence supporting the centrality of car ownership to household financial stability and identified areas where additional data are needed. One idea in particular that they discussed was the benefits of creating a database of auto loan data similar to that gathered for mortgages pursuant to the Home Mortgage Disclosure Act (HMDA). A number of potential uses for such a database were raised, including better understanding the current market and identifying discriminatory lending practices.

Problems in the existing markets for cars and financing, most notably a lack of transparency and fairness, were explored by Peter Holland, University of Maryland School of Law; Rosemary Shahan, Consumers for Auto Reliability and Safety (CARS); and Tom Domonoske, The Legal Aid Justice Center.

JJ Hornblass, Publisher of Auto Finance News, supplied the industry's perspective on auto financing, including what measures the industry is taking to provide fair lending for consumers. The vital role played by the government in combating predatory auto lending was discussed by John Van Alst, a staff attorney at the National Consumer Law Center, and Anne Norton, Assistant Commissioner Non-Depository Institutions, Maryland Banking Commission, who took stock of the many significant developments in this area at both the state and federal level within the past year, including the creation of the new Consumer Financial Protection Bureau.

The meeting concluded by considering potential solutions—including regulatory, market-based, and non-profit—to the problems confronted by families trying to obtain fair auto loans with which to purchase a safe, affordable car. Holly Petraeus, Director of the Military Line Program, Better Business Bureau; Chris Kukla, Senior Counsel for Government Affairs, Center for Responsible Lending; and Barbara Bayes, Executive Director, Good News Mountaineer Garage offered their own insights, then led an

interactive discussion among attendees about what solutions they could seek both through their own roles and through partnership with other organizations.

Going forward, participants plan to convene another meeting for non-profit car ownership groups who make reliable cars available to low-income families to discuss best practices, as well as check-in regularly to ensure that regulators are being given the information necessary to regulate both cars and auto financing effectively. Select materials from the meeting are available at \_\_\_\_\_.