



UNITED STATES OF AMERICA  
Federal Trade Commission  
WASHINGTON, D.C. 20580

Joint Statement of Chair Lina M. Khan,  
Commissioner Rebecca Kelly Slaughter, and Commissioner Alvaro M. Bedoya  
Coulter Motor Company, LLC  
Commission File No. 2223033

August 1, 2024

Today, the Commission and the State of Arizona have charged Coulter, a dealership group, with unlawfully misrepresenting prices to customers, unlawfully charging customers without consent, and unlawfully imposing higher costs on Latino customers than on similarly situated non-Latino White customers.

The complaint charges that Coulter lured people to its dealerships by marketing inaccurately low prices, which buyers would only discover—if at all—once they had expended time visiting the dealership and beginning the purchase process. As alleged in the complaint, Coulter also inflated costs by tacking on charges and add-ons even when customers had not consented to them—and, in some cases, even when customers had expressly declined them. The complaint alleges

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such as Coulter.<sup>3</sup> The Federal Reserve has said that a facially neutral policy that disproportionately excludes or burdens persons on a prohibited basis can violate ECOA. As the Federal Reserve's official staff commentary notes, ECOA's implementing regulation (Regulation B) may prohibit a practice that is "discriminatory in effect because it has a disproportionately negative effect on a prohibited basis, even though the creditor has no intent to discriminate and the practice appears neutral on its face."

Nonetheless, Commissioner Ferguson says that he does not necessarily agree that disparate-impact claims are cognizable under ECOA. He writes that an application of Inclusive

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E-5.10otiv. S-5.10pecifically, the Court states that discrimination statutes "must-5.10 be const-5.10rued to

encompass disparate-impact claims when their text refers to the consequences of actions and not

just-5.10 to the E-5.10indset of actors, and where that interpretation is consistent with statutory purpose."

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Com-5.10E-5.10issioner Ferguson writes that he does not-5.10 believe that the text of ECOA's disparate-impact criterion, notwithstanding that the statute does refer to the "consequences of actions" and that disparate-impact is consistent with ECOA's "st-5.10atutory purpose."

No court agrees with Com-5.10E-5.10issioner Ferguson. Even following

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