The ECOA must be liberally construed to achieve its central goal of eradicating credit discrimination in the American marketplace. The ECOA is designed to remedy what Congressional hearings revealed to be widespread credit discrimination based on gender, age, race, marital status, and other factors. As with other remedial statutes, the ECOA must be liberally construed in favor of consumers to effectuate the underlying Congressional purpose. Moreover, Congress believed that strong enforcement of the ECOA was essential to accomplish its goal. Courts have considered the broad language and underlying anti-discriminatory purpose of the ECOA in rejecting unduly restrictive interpretations of the Act or regulations.

Courts have also considered the fact that the ECOA is part of a comprehensive umbrella statute, the Consumer Credit Protection Act (CCPA), designed to protect the interest of consumers. In interpreting the other titles of the CCPA, most notably the Truth in Lending Act, courts have considered the overarching purpose and the remedial nature of these statutes and held that they must be liberally construed in favor of consumers.

Footnotes

60 See Bros. v. First Leasing, 724 F.2d 789, 793–794 (9th Cir. 1984); Williams v. AT & T Wireless Servs., Inc., 5 F. Supp. 2d 1142, 1147 (W.D. Wash. 1998).

61 See, e.g., Silverman v. Eastrich Multiple Inv’r Fund, Ltd. P’ship, 51 F.3d 28, 33 (3d Cir. 1995) (noting the broad remedial provisions in the ECOA). See also Peyton v. Rowe, 391 U.S. 54, 64–65, 88 S. Ct. 1549, 20 L. Ed. 2d 426 (1968) (this approach to the statute is consistent with the canon of construction that remedial statutes should be liberally construed); Tcherepnin v. Knight, 389 U.S. 332, 336, 88 S. Ct. 548, 19 L. Ed. 2d 564 (1967) (remedial legislation should be construed broadly to effectuate its purposes).


63 See, e.g., United States v. ITT Consumer Fin. Corp., 816 F.2d 487, 489 (9th Cir. 1986); Thompson v. Galles Chevrolet Co., 807 F.2d 163, 168 (10th Cir. 1986); Bros. v. First Leasing, 724 F.2d 789, 793–794 (9th Cir. 1984) (the ECOA should be liberally construed in light of the clear, strong purpose evidenced by the Act); Miller v. Am. Express Co., 688 F.2d 1235, 1239 (9th Cir. 1982) (a restrictive interpretation of the regulations is not warranted in light of ECOA’s purpose to protect women against the arbitrary denial or termination of credit); Williams v. AT & T Wireless Servs., Inc., 5 F. Supp. 2d 1142, 1147 (W.D. Wash. 1998) (ECOA should be interpreted broadly).

64 See, e.g., Silverman v. Eastrich Multiple Inv’r Fund, Ltd. P’ship, 51 F.3d 28, 33 (3d Cir. 1995); Bros. v. First Leasing, 724 F.2d 789, 793 (9th Cir. 1984).

65 See, e.g., Begala v. PNC Bank, 163 F.3d 948, 950 (6th Cir. 1998) (TILA is a remedial statute and therefore should be given a broad, liberal construction in favor of the consumer); Smith v. Fid. Consumer Disc. Co., 898 F.2d 896, 898 (3d Cir. 1988); Bizier v. Globe Fin. Servs., Inc., 654 F.2d 1, 2 (1st Cir. 1981) (the Truth in Lending Act is intended to balance scales thought to be weighted in favor of lenders and should be liberally construed in favor of borrowers). See generally National Consumer Law Center, Truth in Lending § 1.5.2.3 [1] (9th ed. 2015), updated at www.nclc.org/library.


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1.3.3.4 The ECOA Should Be Liberally Construed

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