

May 27, 2026

The Honorable Barbara Hernandez
Chairperson of the House Immigration & Human Rights Committee
519-C Stratton Office Building
Springfield, IL 62706

Re: SB 3777 – Civil Rights Safeguard Act

Dear Representative Hernandez:

We write on behalf of the members of American Financial Services Association (“AFSA”)¹ to express our concerns with SB 3777, which would have far-reaching, and we believe unintended, consequences. Let me be clear: The American Financial Services Association categorically opposes any form of discrimination based on immutable or other prohibited characteristics. Our members oppose discrimination both in principle and in practice. While this bill has the most laudable intention, we believe this proposal would undermine a well-functioning credit system that is committed to providing consumer credit fairly.

The Equal Credit Opportunity Act (ECOA) prohibits creditors from discriminating against applicants on the basis of race, color, religion, national origin, sex, marital status, age, receiving public assistance, or the exercise of various rights. For 50 years, this law has provided meaningful and effective protection against credit discrimination.

Failure to comply with the ECOA and Reg. B subjects financial institutions to civil liability, including punitive damages. If someone is denied credit today, we must supply them with an adverse action notice explaining any reason(s) clearly and specifically. By introducing additional ambiguous and subjective standards, SB 3777 risks generating a surge of complaints lacking clear evidentiary grounds, ultimately disrupting the availability and extension of credit throughout the state. Introducing ambiguity into a system with well-established anti-discrimination protections should not be done without serious, deep, evidence-based analysis. The consequences are too important.

We share your goal of a broad, fair, broadly-accessible consumer credit system, and we welcome the opportunity to engage with you and/or anyone else you designate to work towards addressing any weaknesses you find. For these reasons, AFSA respectfully urges you to hold SB 3777 for further study at this time.

Thank you for your consideration.

A handwritten signature in blue ink, appearing to be "Danielle Fagre Arlowe", is written over the typed name.

Sincerely,

Danielle Fagre Arlowe
Senior Vice President
American Financial Services Association
1750 H Street NW
Suite 650 Washington, DC 20006-5517

¹ AFSA is the primary trade association for the consumer credit industry, protecting access to credit and consumer choice. AFSA members provide consumers with many kinds of credit, including direct and indirect vehicle financing, traditional installment loans, mortgages, payment cards, and retail sales finance. AFSA members do not provide payday or vehicle title loans.