

SECTION 1071 DEADLINE EXTENDED

The Consumer Financial Protection Bureau (CFPB) has extended the compliance deadlines for the small business lending rule governing the collection of small business lending data. Section 1071 of the Dodd-Frank Act amended the Equal Credit Opportunity Act (ECOA) to require financial institutions to compile, maintain, and submit to the CFPB certain data on applications for credit for women-owned, minority-owned, and small businesses.

Following issuance of the final rule on March 30, 2023 some lenders filed challenges against the rule in federal court in the state of Texas. On July 31, 2023 the court stayed the rule for certain lenders pending the Supreme Court's decision in a pending case involving the constitutionality of the CFPB's funding. The Texas court had ordered the CFPB to extend the rule's compliance deadlines to compensate for the period stayed. The Supreme Court recently upheld the CFPB's funding structure which has resulted in the CFPB extending the compliance date deadlines.

The compliance deadline for Tier 1 institutions is now July 18, 2025, with the first filing deadline on June 1, 2026. The compliance deadline for Tier 2 institutions is January 16, 2026, with the first filing deadline June 1, 2027. The compliance deadline for Tier 3 institutions is October 18, 2026, with the first filing deadline also, June 1, 2027.

The foregoing Compliance Update is for informational purposes only, and does not constitute legal advice. As a reminder, the NBA general counsel is the attorney for the Nebraska Bankers Association, not its member banks. The general counsel is available to assist members with finding resources to help answer their questions. However, for specific legal advice about specific situations, members must consult and retain their own attorney.
