

[DISCUSSION DRAFT]

117TH CONGRESS
2^D SESSION

H. R. _____

To apply the Fair Debt Collection Practices Act to small business debt to the same extent as such Act applies to consumers, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

Mr. LAWSON of Florida introduced the following bill; which was referred to the Committee on _____

A BILL

To apply the Fair Debt Collection Practices Act to small business debt to the same extent as such Act applies to consumers, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Small Business Fair
5 Debt Collection Protection Act”.

1 **SEC. 2. FAIR DEBT COLLECTION PRACTICES FOR LOANS TO**
2 **SMALL BUSINESSES.**

3 (a) IN GENERAL.—The Fair Debt Collection Prac-
4 tices Act (15 U.S.C. 1692 et seq.) is amended—

5 (1) in section 803—

6 (A) by amending paragraph (5) to read as
7 follows:

8 “(5) The term ‘debt’ means any obligation or
9 alleged obligation to pay money arising out of a
10 transaction, whether or not such obligation has been
11 reduced to judgment.”; and

12 (B) by adding at the end the following new
13 paragraph:

14 “(9) The term ‘commercial credit bureau’
15 means any person which, for monetary fees, dues, or
16 on a cooperative nonprofit basis, regularly engages
17 in whole or in part in the practice of assembling or
18 evaluating commercial credit information or other
19 information on businesses for the purpose of fur-
20 nishing credit reports to third parties, and which
21 uses any means or facility of interstate commerce
22 for the purpose of preparing or furnishing credit re-
23 ports.”;

24 (2) by redesignating section 819 as section 820;
25 and

26 (3) by inserting after section 818 the following:

1 **“§ 819. Application to small business debt**

2 “(a) IN GENERAL.—This Act shall apply to small
3 business debt to the same extent as this Act applies to
4 debt of consumers.

5 “(b) SMALL BUSINESS DEBT DEFINED.—The term
6 ‘small business debt’—

7 “(1) means any non-equity obligation or alleged
8 obligation of a partnership, corporation, trust, es-
9 tate, cooperative, association, government or govern-
10 mental subdivision or agency, or other entity that is
11 less than \$5,000,000; and

12 “(2) does not include any obligation or alleged
13 obligation—

14 “(A) of an individual; or

15 “(B) that is primarily for personal, family,
16 or household purposes.”.

17 (b) CLERICAL AMENDMENT.—The table of contents
18 for the Fair Debt Collection Practices Act is amended by
19 striking the item relating to section 819 and inserting the
20 following:

“819. Application to small business debt.
“820. Effective date.”.

21 (c) CONFORMING AMENDMENTS.—The Fair Debt
22 Collection Practices Act (15 U.S.C. 1692 et seq.) is
23 amended—

1 (1) in section 805(b), by inserting “or a com-
2 mercial credit bureau (as applicable)” after “con-
3 sumer reporting agency”;

4 (2) in section 806(3)—

5 (A) by striking “consumers who” and in-
6 serting “consumers or small businesses that”;
7 and

8 (B) by inserting “ or to a commercial cred-
9 it bureau (as applicable),” after “consumer re-
10 porting agency”; and

11 (3) in section 807(16), by inserting “or a com-
12 mercial credit bureau” after “this Act”.