

118TH CONGRESS
1ST SESSION

H. R. 1806

To amend the Equal Credit Opportunity Act to modify the requirements associated with small business loan data collection, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

MARCH 27, 2023

Mr. HILL (for himself, Mr. WILLIAMS of Texas, and Mr. LUETKEMEYER) introduced the following bill; which was referred to the Committee on Financial Services

A BILL

To amend the Equal Credit Opportunity Act to modify the requirements associated with small business loan data collection, 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 Lenders Exempt
5 from New Data and Excessive Reporting Act” or the
6 “Small LENDER Act”.

7 **SEC. 2. SMALL BUSINESS LOAN DATA COLLECTION.**

8 Section 704B of the Equal Credit Opportunity Act
9 (15 U.S.C. 1691e–2) is amended—

1 (1) in subsection (g), by adding at the end the
2 following:

3 “(4) COMPLIANCE.—

4 “(A) IN GENERAL.—With respect to any
5 rules or guidance issued under this subsection
6 on or after the date of the enactment of this
7 paragraph, the Bureau shall provide a financial
8 institution a 3-year period to comply with such
9 rule or guidance, regardless of the date on
10 which such financial institution began its oper-
11 ations.

12 “(B) SAFE HARBOR.—With respect to any
13 rules or guidance issued under this subsection
14 on or after the date of the enactment of this
15 paragraph, beginning on the date after the last
16 day of the 3-year period described in subpara-
17 graph (A), the Bureau shall provide a 2-year
18 safe harbor to financial institutions during
19 which each such financial institution is required
20 to comply with the rule or guidance but not
21 subject to any penalties for failure to comply.”;

22 and

23 (2) in subsection (h)—

24 (A) by striking paragraph (1) and insert-
25 ing the following:

1 “(1) FINANCIAL INSTITUTION.—The term ‘fi-
2 nancial institution’ means—

3 “(A) any partnership, company, corpora-
4 tion, association (incorporated or unincor-
5 porated), trust, estate, cooperative organization,
6 or other entity that engages in any financial ac-
7 tivity; and

8 “(B) in each of the two calendar years pre-
9 ceding the first day of the safe harbor period
10 described in subsection (g)(4)(B), originated
11 not less than 500 credit transactions for small
12 businesses.”; and

13 (B) by striking paragraph (2) and insert-
14 ing the following:

15 “(2) SMALL BUSINESS.—The term ‘small busi-
16 ness’ means any entity with gross annual revenues
17 of \$1,000,000 or less in the most recently completed
18 fiscal year preceding the first day of the safe harbor
19 period described in subsection (g)(4)(B).”.

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