

**AMENDMENT IN THE NATURE OF A SUBSTITUTE  
TO H.R. 941  
OFFERED BY MR. HILL OF ARKANSAS**

Strike all after the enacting clause and insert the following:

**1 SECTION 1. SHORT TITLE.**

2 This Act may be cited as the “Small Lenders Exempt  
3 from New Data and Excessive Reporting Act” or the  
4 “Small LENDER Act”.

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

6 Section 704B of the Equal Credit Opportunity Act  
7 (15 U.S.C. 1691c–2) is amended—

8 (1) in subsection (c)—

9 (A) by striking “Any applicant” and in-  
10 sserting the following:

11 “(1) IN GENERAL.—Any applicant”;

12 (B) by striking the period at the end and  
13 inserting the following: “, and the financial in-  
14 stitution may, when requesting such informa-  
15 tion, inform the applicant in writing that—

16 “(A) the Bureau of Consumer Financial  
17 Protection requires the financial institution to  
18 ask, collect, and report such information to the

1 Federal Government annually pursuant to sec-  
2 tion 704B of the Equal Credit Opportunity Act  
3 (15 U.S.C. 1691c-2);

4 “(B) the applicant is not required to pro-  
5 vide such information; and

6 “(C) the applicant’s response will not af-  
7 fect the financial institution’s evaluation of the  
8 request for credit.

9 “(2) MODEL FORM.—The Director of the Bureau of  
10 Consumer Financial Protection shall establish a model  
11 form to be used in providing the information required to  
12 be provided to an applicant under paragraph (1). Such  
13 form shall—

14 “(A) be in plain English; and

15 “(B) to the extent practicable, be no longer  
16 than a single page.”;

17 (2) by striking subsection (d);

18 (3) by redesignating subsections (e), (f), (g),  
19 and (h) as subsections (d), (e), (f), and (g), respec-  
20 tively; and

21 (4) in subsection (d), as so redesignated—

22 (A) in paragraph (2)—

23 (i) by striking subparagraphs (C),  
24 (G), and (H);

1 (ii) by redesignating subparagraphs  
2 (D), (E), and (F) as subparagraphs (C),  
3 (D), and (E), respectively;

4 (iii) in subparagraph (D), as so redesi-  
5 gnated, by adding “and” at the end; and

6 (iv) in subparagraph (E), as so redesi-  
7 gnated, by striking the semicolon and in-  
8 serting a period;

9 (B) in paragraph (3), by striking “para-  
10 graph (1)(E)” and inserting “paragraph  
11 (1)(D)”; and

12 (C) by adding at the end the following:

13 “(5) PROHIBITION ON INFORMATION NOT RE-  
14 PORTED BY AN APPLICANT.—A financial institution  
15 may not compile and maintain information described  
16 under subsection (b) that was determined by the fi-  
17 nancial institution using visual observation or any  
18 other manner other than being provided by an appli-  
19 cant.”.

20 (5) in subsection (f), as so redesignated, by  
21 adding at the end the following:

22 “(4) INITIAL COMPLIANCE DATE.—

23 “(A) IN GENERAL.—The Bureau may not  
24 require a financial institution to comply with

1           this section, or any rule issued under this sec-  
2           tion, until June 1, 2031.

3           “(B) SAFE HARBOR.—The Bureau may  
4           not enforce compliance with the requirements of  
5           this section during the 2-year period beginning  
6           on the date described in subparagraph (A).

7           “(5) EXEMPTION FOR SMALL FINANCIAL INSTI-  
8           TUTIONS.—A financial institution is exempt from  
9           the requirements of this section if the financial insti-  
10          tution—

11           “(A) in each of the 2 previous calendar  
12          years, originated less than 2,500 credit trans-  
13          actions for small businesses; or

14           “(B) has less than \$10,000,000,000 in as-  
15          sets.

16          “(6) TREATMENT OF RESPONSE RATE.—The  
17          percentage of applicants providing a financial insti-  
18          tution with the information described under sub-  
19          section (b) may not be used as a factor in deter-  
20          mining whether a financial institution is in compli-  
21          ance with the requirements under this section.”; and

22          (6) in subsection (g), as so redesignated, by  
23          striking paragraph (2) and inserting the following:

24           “(2) SMALL BUSINESS.—The term ‘small busi-  
25          ness’ means any entity with gross annual revenues

1 of \$1,000,000 or less in the most recently completed  
2 fiscal year.”.

