



## Continuing Saga of CFPB 1071 Small Business Data Reporting Rule

December 29th, 2023 | and [Eric D. Mulligan](#)

On December 19, 2023, President Biden [vetoed](#) a Congressional resolution that would have nullified a Consumer Financial Protection Bureau rule requiring lenders to report demographic information about small business loan recipients.

On December 1, 2023, the House of Representatives voted, 221-202, to use the Congressional Review Act to nullify a Consumer Financial Protection Bureau rule that requires lenders to report information about small business loan recipients. The rule, passed under Section 1071 of the Dodd-Frank Act, requires lenders to collect and report data on race, ethnicity, gender, and sexual orientation as well as data on credit decisions and pricing. The first reports under the new rule are due on June 1, 2025 for lenders that originated at least 2,500 covered credit transactions for small businesses in each of 2022 and 2023. The first reports are due later for businesses that originated at least 100 but fewer than 2,500 such transactions in each of 2022 and 2023.

The Congressional Review Act allows Congress to nullify a rule published by a federal agency. Congress may nullify a rule through a resolution introduced at any time during the first 60 days when Congress is continuously in session after the agency submits the rule to Congress for review. The Senate approved the resolution, 53-44, in October. President Biden's veto is one of only nine during his administration.

Enforcement of this rule is stayed pending the resolution of litigation challenging the CFPB's funding structure.