

February 2026

## ICBA Regulatory Update: Section 1071 – Small Business Loan Data Collection

**Topic/Issue:** Section 1071

**Agency:** CFPB

**Status:** In March 2023, the CFPB issued a final rule. ICBA and others challenged the rule in court, eventually obtaining a stay from compliance. In November 2025, the CFPB issued a new proposed rule that would revise key aspects of the 1071 requirements — including narrowing coverage, modifying definitions (e.g., small business size), adjusting data points, and setting a later unified compliance date of January 1, 2028. Section 1071 remains legally intact but operationally delayed and under reconsideration as the CFPB.

**ICBA Position:** As relationship bankers, community banks look at each small-business loan individually and often in customized terms based on many factors. Rigid data collection requirements under Section 1071 of the Dodd-Frank Act would hamper the ability of community banks to tailor loans to meet the unique needs of local businesses. ICBA appreciates provisions of the CFPB’s November 2025 proposed rule. These are discussed below with recommendations for further changes.

### **Key Talking Points:**

- Exempting community banks that originate fewer than 1,000 small business loans will benefit the vast majority of community banks. The Bureau should go further and provide an **exemption for all community banks under \$10 billion in assets.**
- **Categorically exempting Farm Credit System lenders**, regardless of asset size, will provide disproportionate benefits to some of the largest financial institutions in the country.
- **Rightsizing the definition of ‘small business’** as one with gross annual revenue of \$1 million will focus the rule’s coverage on businesses that are truly small.
- Reducing the number of covered financial products, such as exempting ag loans from coverage, strikes the proper balance of achieving the statutory goals while reducing burden.
- **Removing non-statutory datapoints** ensures the Bureau is adhering to Congressional intent.
- The Bureau should remove ALL non-statutory data points.
- ICBA supports Congressional action to **fully repeal the statute.**