

# Section 1071 of the Dodd-Frank Act

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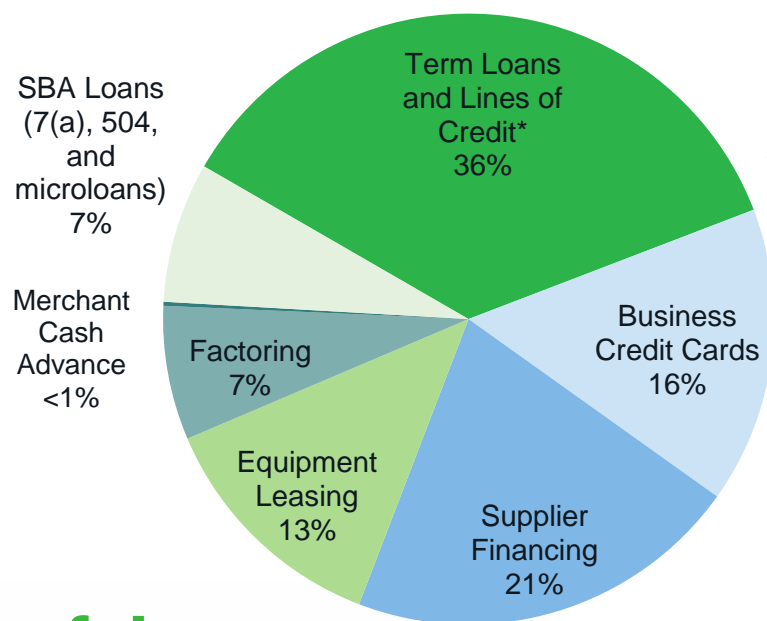


# Role of the CFPB Office of Small Business Lending (SBL) Markets

**Mission:** To promote fair, accessible and transparent credit markets that provide capital critical to America's small businesses and entrepreneurs.

- Implementation of data collection requirements per Section 1071 of the Dodd-Frank Act
- White Paper issued May 10 provides a first comprehensive view of the SBL Marketplace

Estimated Market Share of Financing Products Available to Small Businesses



A \$1.4 trillion market

*Source: Bureau estimates supported by available data. The total aggregate amount of debt financing available to small businesses is estimated at \$1.4 trillion. This figure is not an exhaustive list of products used by small businesses. Due to rounding, the statistics may add up to more than 100 percent. \*Bank loans, including lines of credit, are measured using the outstanding amounts as presented in the FFIEC Call Reports. Further, outstanding amounts for term loans made under the SBA's 7(a), 504 and micro loan programs disaggregated for additional detail. These totals are subtracted from the total term loan and lines of credit amounts to avoid double counting.*

# Statutory Purpose – Dodd-Frank Section 1071

## Section 1071

Under Section 1071\* of the Dodd-Frank Act, the Equal Credit Opportunity Act was amended to require financial institutions to compile, maintain, and report to the CFPB certain information about applications for credit made by women-owned, minority-owned, and small businesses to:

“Facilitate enforcement of fair lending laws”

“Enable communities, governmental entities and creditors to identify business and community development needs and opportunities for women-owned, minority-owned and small businesses”

### Statutory Data Elements



- Application number and date received

- Action taken by the institution and date of such action



- Type and purpose of the loan or credit

- Gross annual revenue in last fiscal year



- Race, sex and ethnicity of the principal owners

- Principal place of business (census tract)



- Amount of credit or credit limit applied for

- Amount of credit transaction or credit limit approved

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