



441 G St. N.W.
Washington, DC 20548

B-338369

May 18, 2026

The Honorable Tim Scott
Chairman
The Honorable Elizabeth Warren
Ranking Member
Committee on Banking, Housing, and Urban Affairs
United States Senate

The Honorable French Hill
Chairman
The Honorable Maxine Waters
Ranking Member
Committee on Financial Services
House of Representatives

Subject: *Consumer Financial Protection Bureau: Small Business Lending Under the Equal Credit Opportunity Act (Regulation B)*

Pursuant to section 801(a)(2)(A) of title 5, United States Code, this is our report on a major rule promulgated by the Consumer Financial Protection Bureau (CFPB) titled “Small Business Lending Under the Equal Credit Opportunity Act (Regulation B)” (RIN: 3170-AB40). We received the rule on May 1, 2026. It was published in the *Federal Register* on May 1, 2026. 91 Fed. Reg. 23530. The effective date of the rule is June 30, 2026.

According to CFPB, it is revising certain provisions of Regulation B, subpart B, which implements changes to the Equal Credit Opportunity Act made by section 1071 of the Dodd-Frank Wall Street Reform and Consumer Protection Act. CFPB stated that it is amending coverage of certain credit transactions and financial institutions; the small business definition; inclusion of certain data points and how others are collected; and the compliance date. CFPB stated further that it believes these changes will streamline the rule, reduce complexity for lenders, improve data quality, and advance the purposes of section 1071.

Enclosed is our assessment of CFPB’s compliance with the procedural steps required by section 801(a)(1)(B)(i) through (iv) of title 5 with respect to the rule. If you have any questions about this report or wish to contact GAO officials responsible for the evaluation work relating to the subject matter of the rule, please contact me (202) 512-8156.

Shirley A. Jones
Managing Associate General Counsel

Enclosure

cc: Melanie Hirsch
Senior Counsel
Consumer Financial Protection Bureau

REPORT UNDER 5 U.S.C. § 801(a)(2)(A) ON A MAJOR RULE
ISSUED BY THE
CONSUMER FINANCIAL PROTECTION BUREAU
TITLED
“SMALL BUSINESS LENDING UNDER THE EQUAL CREDIT OPPORTUNITY ACT
(REGULATION B)”
(RIN: 3170-AB40)

(i) Cost-benefit analysis

The Consumer Financial Protection Bureau (CFPB) prepared an analysis of the cost and benefits of this rule. 91 Fed. Reg. 23530, 23579–23597 (May 1, 2026). CFPB stated that the rule will benefit financial institutions by reducing compliance costs, narrowing coverage, reducing data points, and lowering reputational risks associated with public analysis of reported small business lending data. *Id.* at 23592. CFPB estimated total annual ongoing cost savings of approximately \$166 million to \$181 million for impacted institutions. *Id.* CFPB also estimated that banks, savings associations, and credit unions with \$10 billion or less in assets will realize annual ongoing cost savings of approximately \$88 million to \$103 million and one-time cost savings of approximately \$67 million to \$75 million, while certain covered depository institutions with less than \$10 billion in assets will incur one-time costs of approximately \$1.6 million to \$1.8 million. *Id.* at 23597. CFPB further stated that the rule may impose costs on small businesses and communities by reducing data available for fair lending enforcement and community development, including by removing certain discretionary data points and excluding agricultural lending from coverage. *Id.* at 23594–23595. CFPB stated that small rural businesses may experience these costs because fewer rural lenders will report small business credit application data and agricultural credit will no longer be covered, but CFPB concluded that these costs would be limited because such data may have been poor quality or difficult to interpret. *Id.* at 23597.

(ii) Agency actions relevant to the Regulatory Flexibility Act (RFA), 5 U.S.C. §§ 603–605, 607, and 609

CFPB stated that it has not certified that this rule will not have a significant economic impact on a substantial number of small entities within the meaning of the Act. 91 Fed. Reg. at 23597–23603.

(iii) Agency actions relevant to sections 202–205 of the Unfunded Mandates Reform Act of 1995, 2 U.S.C. §§ 1532–1535

As an independent regulatory agency, CFPB is not subject to the Act.

(iv) Other relevant information or requirements under acts and executive orders

Administrative Procedure Act, 5 U.S.C. §§ 551 *et seq.*

On November 13, 2025, CFPB issued a proposed rule. 90 Fed. Reg. 50952. CFPB stated that it received comments from various interested parties, and it responded to the comments in this rule. See 91 Fed. Reg. at 23531–23576.

Paperwork Reduction Act (PRA), 44 U.S.C. §§ 3501–3520

CFPB stated that this rule revises existing information collection requirements approved by the Office of Management and Budget. 91 Fed. Reg. at 23604.

Statutory authorization for the rule

CFPB promulgated this rule pursuant to section 5512 of title 12 and 1691c-2 of title 15, United States Code.

Executive Order No. 12866 (Regulatory Planning and Review)

CFPB stated that the Office of Information and Regulatory Affairs has determined that this rule is a “significant regulatory action” under section 3(f)(1) of the Order. 91 Fed. Reg. at 23604.

Executive Order No. 13132 (Federalism)

As an independent regulatory agency, CFPB is not subject to the Order.