

Dodd-Frank small business and farm lending transparency statutory requirements create needed market transparency to enforce civil rights laws

Small businesses and farms are engines for economic growth and household wealth building, but historic inequitable access to credit and financing makes it more difficult for businesses and farms owned by people of color and women to sustain, reinvest, and expand their businesses. Section 1071 of the Dodd-Frank Wall Street Reform and Consumer Protection Act amended the landmark civil rights statute Equal Credit Opportunity Act and required the CFPB to collect data essential to identify lending discrimination and gaps in access to credit, providing market transparency, and addressing community credit needs for small businesses and farms.¹ Efforts to repeal, weaken, or undermine Section 1071's reporting requirements will hurt small businesses and farms, undermine household wealth building, and hurt overall economic growth.

Section 1071's data collection requirements bring needed transparency to credit markets. There is no comprehensive picture of the local or regional small business or farm lending market which makes it impossible to assess community credit needs or investments in small businesses and farms. Banks, local governments, community development institutions, and the small business and farm stakeholders need this data to assess credit demand, credit availability, and unmet credit needs. Section 1071 replicates the successful 1975 Home Mortgage Disclosure Act but for small businesses and farms and fills a tremendous void in understanding the contours of the credit market necessary to serve communities and borrowers.

Section 1071's data collection can help address historical lending disparities that have historically hurt small business owners and farmers. Collecting data helps make it easier to see otherwise hidden patterns of small business and farm lending discrimination which disadvantages women-, Black-, Latine-, Asian-, and Indigenous-owned small businesses and farms and lower-income communities. Black, Latine, and Asian small business owners had lower access to capital, are charged higher interest rates, receive lower loan amounts, and have higher loan rejection rates than comparably creditworthy white small business owners.² Small farmers, especially Black, Latine, Indigenous, Asian, and women farmers, have faced long-standing disparate treatment and discrimination in accessing farm credit on equitable terms.³ Collecting data will help institutions, local governments, and federal regulators better address lending disparities that end up hurting all businesses, farms, and the communities they serve. Transparency in small business and farm credit markets is critical to enforce civil rights and fair lending laws to address these historic and ongoing patterns of inequitable access to credit.

Legislative efforts to undermine Section 1071 promote an opaque and discriminatory small business and farm lending market. Legislation that undermines and weakens Section 1071 including the 1071 Repeal to Protect Small Business Lending Act, the Small Lenders Exempt from New Data Excessive Reporting (LENDER) Act, the Bank Loan Privacy Act, the Farm Credit Administration Independent Authority Act⁴ fail to address the critical purposes of rooting out lending discrimination and providing needed transparency in small business and farm credit markets and would further delay a law that has waited 15 years to be fully implemented. Supporting these efforts will only unfairly disadvantage small businesses and farms and hurt the communities they serve.

¹ Dodd-Frank Wall Street Reform and Consumer Protection Act. [Pub. L. 111-203](#), July 21, 2010 at §1071; 15 USC §1691c-2(a).

² de Zeeuw, Mels G. and Victor E. da Motta. Federal Reserve Bank of San Francisco. "[Minority-owned enterprises and access to capital from Community Development Financial Institutions.](#)" *Community Development Innovation Review*. May 19, 2021 at 6 to 7.

³ de Sam Lazaro. Fred an Simeon Lancaster. "[Historically denied 'pivotal' loans. Black farmers still struggle to get support.](#)" *PBS Newshour*. December 7, 2021; Rosenberg, Nathan. "[How USDA distorted data to conceal decades of discrimination against Black farmers.](#)" *The Counter*. June 26, 2019; Matin, Michel. "[USDA awards Native Americans millions in discrimination suit.](#)" *NPR*. October 21, 2010; LaFraniere, Sharon. "[U.S. opens spigot after farmers claim discrimination.](#)" *New York Times*. April 25, 2013; U.S. Department of Justice and U.S. Department of Agriculture. [Press release]. "[USDA notice to women and Hispanic farmers and ranchers: Compensation for claims of discrimination.](#)" July 7, 2011; Robinson, Jessica. "[Women, Hispanic farmers say discrimination continues in settlement.](#)" *Boise Public Radio*. November 13, 2012.

⁴ [To repeal the small business loan data collection requirements under the Equal Credit Opportunity Act](#). H.R. 976. ; [Small LENDER Act](#). H.R. 941; [The Bank Loan Privacy Act](#). Bill draft. 119th; [To affirm that the Farm Credit Administration is the sole and independent regulator of the Farm Credit System](#). H.R. 1063. 119th Cong. (2025).

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