

(“Reserve Bank”).<sup>2</sup> Section 19 also provides that balances maintained by or on behalf of certain institutions in an account at a Reserve Bank may receive earnings to be paid by the Reserve Bank at least once each quarter, at a rate or rates not to exceed the general level of short-term interest rates.<sup>3</sup> Institutions that are eligible to receive earnings on their balances held at Reserve Banks (“eligible institutions”) include depository institutions and certain other institutions.<sup>4</sup> Section 19 also provides that the Board may prescribe regulations concerning the payment of earnings on balances at a Reserve Bank.<sup>5</sup> Prior to these amendments, Regulation D established IORB at 4.4 percent.<sup>6</sup>

**II. Amendment to IORB**

The Board is amending § 204.10(b)(1) of Regulation D to establish IORB at 4.15 percent. The amendment represents a 0.25 percentage point decrease in IORB. This decision was announced on September 17, 2025, with an effective date of September 18, 2025, in the Federal Reserve Implementation Note that accompanied the FOMC’s statement on September 17, 2025. The FOMC statement stated that the Committee decided to lower the target range for the federal funds rate to 4 to 4¼ percent.

The Federal Reserve Implementation Note stated:

The Board of Governors of the Federal Reserve System voted to lower the interest rate paid on reserve balances to 4.15 percent, effective September 18, 2025.

As a result, the Board is amending § 204.10(b)(1) of Regulation D to establish IORB at 4.15 percent.

**III. Administrative Procedure Act**

In general, the Administrative Procedure Act (“APA”) <sup>7</sup> imposes three principal requirements when an agency promulgates legislative rules (rules made pursuant to Congressionally-delegated authority): (1) publication with adequate notice of a proposed rule; (2) followed by a meaningful opportunity for the public to comment on the rule’s content; and (3) publication of the final rule not less than 30 days before its effective date. The APA provides that notice and comment procedures do not apply if the agency for good cause finds them to be “unnecessary, impracticable, or contrary

to the public interest.” <sup>8</sup> Section 553(d) of the APA also provides that publication at least 30 days prior to a rule’s effective date is not required for (1) a substantive rule which grants or recognizes an exemption or relieves a restriction; (2) interpretive rules and statements of policy; or (3) a rule for which the agency finds good cause for shortened notice and publishes its reasoning with the rule.<sup>9</sup>

The Board has determined that good cause exists for finding that the notice, public comment, and delayed effective date provisions of the APA are unnecessary, impracticable, or contrary to the public interest with respect to these final amendments to Regulation D. The rate change for IORB that is reflected in the final amendment to Regulation D was made with a view towards accommodating commerce and business and with regard to their bearing upon the general credit situation of the country. Notice and public comment would prevent the Board’s action from being effective as promptly as necessary in the public interest and would not otherwise serve any useful purpose. Notice, public comment, and a delayed effective date would create uncertainty about the finality and effectiveness of the Board’s action and undermine the effectiveness of that action. Accordingly, the Board has determined that good cause exists to dispense with the notice, public comment, and delayed effective date procedures of the APA with respect to this final amendment to Regulation D.

**IV. Regulatory Flexibility Analysis**

The Regulatory Flexibility Act (“RFA”) does not apply to a rulemaking where a general notice of proposed rulemaking is not required.<sup>10</sup> As noted previously, the Board has determined that it is unnecessary and contrary to the public interest to publish a general notice of proposed rulemaking for this final rule. Accordingly, the RFA’s requirements relating to an initial and final regulatory flexibility analysis do not apply.

**V. Paperwork Reduction Act**

In accordance with the Paperwork Reduction Act (“PRA”) of 1995,<sup>11</sup> the Board reviewed the final rule under the authority delegated to the Board by the Office of Management and Budget. The final rule contains no requirements subject to the PRA.

**List of Subjects in 12 CFR Part 204**

Banks, banking, Reporting and recordkeeping requirements.

**Authority and Issuance**

For the reasons set forth in the preamble, the Board amends 12 CFR part 204 as follows:

**PART 204—RESERVE REQUIREMENTS OF DEPOSITORY INSTITUTIONS (REGULATION D)**

■ 1. The authority citation for part 204 continues to read as follows:

**Authority:** 12 U.S.C. 248(a), 248(c), 461, 601, 611, and 3105.

■ 2. Section 204.10 is amended by revising paragraph (b)(1) to read as follows:

**§ 204.10 Payment of interest on balances.**

\* \* \* \* \*

(b) \* \* \*

(1) For balances maintained in an eligible institution’s master account, interest is the amount equal to the interest on reserve balances rate (“IORB rate”) on a day multiplied by the total balances maintained on that day. The IORB rate is 4.15 percent.

\* \* \* \* \*

By order of the Board of Governors of the Federal Reserve System.

**Michele Taylor Fennell,**  
Associate Secretary of the Board.

[FR Doc. 2025–19304 Filed 10–1–25; 8:45 am]

**BILLING CODE 6210–01–P**

**CONSUMER FINANCIAL PROTECTION BUREAU**

**12 CFR Part 1002**

[Docket No. CFPB–2025–0017]

RIN 3170–AB40

**Small Business Lending Under the Equal Credit Opportunity Act (Regulation B); Extension of Compliance Dates**

**AGENCY:** Consumer Financial Protection Bureau.

**ACTION:** Final rule.

**SUMMARY:** The Consumer Financial Protection Bureau (CFPB or Bureau) is finalizing its June 18, 2025 interim final rule amending Regulation B to extend the compliance dates set forth in its 2023 small business lending rule, as amended by a 2024 interim final rule, and to make other date-related conforming adjustments.

**DATES:** This final rule is effective December 1, 2025.

<sup>2</sup> 12 CFR 204.5(a)(1).

<sup>3</sup> 12 U.S.C. 461(b)(1)(A) and (b)(12)(A).

<sup>4</sup> See 12 U.S.C. 461(b)(1)(A) & (b)(12)(C); see also 12 CFR 204.2(y).

<sup>5</sup> See 12 U.S.C. 461(b)(12)(B).

<sup>6</sup> See 12 CFR 204.10(b)(1).

<sup>7</sup> 5 U.S.C. 551 *et seq.*

<sup>8</sup> 5 U.S.C. 553(b)(3)(A).

<sup>9</sup> 5 U.S.C. 553(d).

<sup>10</sup> 5 U.S.C. 603, 604.

<sup>11</sup> 44 U.S.C. 3506; see 5 CFR part 1320 Appendix A.1.

**FOR FURTHER INFORMATION CONTACT:** Dave Gettler, Paralegal Specialist, Office of Regulations, at 202-435-7700 or <https://reginquiries.consumerfinance.gov/>. If you require this document in an alternative electronic format, please contact [CFPB\\_Accessibility@cfpb.gov](mailto:CFPB_Accessibility@cfpb.gov).

**SUPPLEMENTARY INFORMATION:**

**I. Background**

In 2010, Congress passed the Dodd-Frank Wall Street Reform and Consumer Protection Act (Dodd-Frank Act). Section 1071 of that Act<sup>1</sup> amended the Equal Credit Opportunity Act (ECOA)<sup>2</sup> to require that financial institutions collect and report to the CFPB certain data regarding applications for credit for women-owned, minority-owned, and small businesses. Section 1071's statutory purposes are to (1) facilitate enforcement of fair lending laws, and (2) enable communities, governmental entities, and creditors to identify business and community development needs and opportunities of women-owned, minority-owned, and small businesses.

Section 1071 directs the CFPB to prescribe such rules and issue such guidance as may be necessary to carry out, enforce, and compile data pursuant to section 1071. On March 30, 2023, the CFPB issued a final rule to implement section 1071 by adding subpart B to Regulation B (2023 final rule). The 2023 final rule was published in the **Federal Register** on May 31, 2023.<sup>3</sup> Further

details about rulemaking pursuant to section 1071 can be found in the preamble to the 2023 final rule. On June 25, 2024, the CFPB issued an interim final rule (2024 interim final rule) to extend the rule's compliance dates in accordance with orders issued by the United States District Court for the Southern District of Texas.<sup>4</sup> The 2024 interim final rule was published in the **Federal Register** on July 3, 2024.<sup>5</sup>

Challenges to the 2023 final rule filed remain ongoing in three jurisdictions; each of those courts have stayed the rule's compliance deadlines for some market participants. Specifically, the United States Court of Appeals for the Fifth Circuit has stayed the 2023 final rule and tolled the compliance deadlines for plaintiffs and intervenors in that case, until further order of the court.<sup>6</sup> The United States District Court for the Eastern District of Kentucky has stayed the deadlines for plaintiffs in that case to comply with the 2023 final rule until further order of the court.<sup>7</sup> And the United States District Court for the Southern District of Florida has stayed the 2023 final rule and tolled the rule's compliance deadlines with respect to that case's plaintiff and its members for the length of time that the Fifth Circuit stay order is in effect, subject to modification at any time by the court.<sup>8</sup> As the CFPB has noted in that litigation, it intends to initiate a new Section 1071 rulemaking and anticipates issuing a

notice of proposed rulemaking as expeditiously as reasonably possible.<sup>9</sup>

In its second interim final rule published June 18, 2025 (2025 interim final rule), the CFPB extended the compliance dates set forth in the 2023 final rule, as amended by the 2024 interim final rule, by approximately one year, and made conforming adjustments.

Although the CFPB determined that the Administrative Procedure Act's good cause exception for not requiring public comment applied to the 2025 interim final rule, the CFPB nevertheless solicited comments.

**II. Summary of the Final Rule**

In this final rule, the CFPB confirms its findings in the 2025 interim final rule and has determined upon a review of comments received that no further changes are necessary, other than the correction of two typographical errors in official commentary identified by commenters.

The CFPB received 20 comments in response to the 2025 interim final rule. Most commenters addressed the 2025 interim final rule itself; these comments are summarized and discussed below in part IV. Other comments addressed provisions of the 2023 final rule not taken up by the 2025 interim final rule.

The CFPB finalizes the compliance dates in the 2025 interim final rule, under which covered financial institutions will begin collecting data as follows:

TABLE 1—COMPLIANCE DATES AND FILING DEADLINES

Compliance tier	Original compliance date in the 2023 final rule	Revised compliance date in the 2024 interim final rule	New compliance date	New first filing deadline
Highest volume lenders (Tier 1) .....	October 1, 2024 .....	July 18, 2025 .....	July 1, 2026 .....	June 1, 2027.
Moderate volume lenders (Tier 2) .....	April 1, 2025 .....	January 16, 2026 .....	January 1, 2027 .....	June 1, 2028.
Smallest volume lenders (Tier 3) .....	January 1, 2026 .....	October 18, 2026 .....	October 1, 2027 .....	June 1, 2028.

Further, the CFPB determines it is appropriate to maintain the other conforming changes to the compliance date provisions promulgated by the 2025 interim final rule. Covered financial institutions are permitted to continue using their small business originations from 2022 and 2023 to determine their compliance tier, or they

may instead use their originations from 2023 and 2024, or from 2024 and 2025. Covered financial institutions are permitted to begin collecting protected demographic data required under the 2023 final rule 12 months before their new compliance date, in order to test their procedures and systems. As illustrated above, the deadline for

submitting small business lending data will remain June 1 following the calendar year for which data are collected. Finally, the CFPB updated its grace period policy statement to reflect the revised compliance dates.

<sup>1</sup> Public Law 111-203, tit. X, section 1071, 124 Stat. 1376, 2056 (2010), codified at ECOA section 704B, 15 U.S.C. 1691c-2.

<sup>2</sup> 15 U.S.C. 1691 *et seq.*

<sup>3</sup> 88 FR 35150 (May 31, 2023).

<sup>4</sup> *Texas Bankers Ass'n v. CFPB*, No. 7:23-cv-00144 (S.D. Tex.).

<sup>5</sup> 89 FR 55024 (July 3, 2024). *See also* Order Granting-in-Part and Denying-in-Part Pls.' Mot. for Prelim. Inj., *Texas Bankers Ass'n v. CFPB*, No. 7:23-

cv-00144 (S.D. Tex. July 31, 2023), ECF No. 25, [https://files.consumerfinance.gov/f/documents/cfpb\\_pi\\_order\\_texas\\_bankers.pdf](https://files.consumerfinance.gov/f/documents/cfpb_pi_order_texas_bankers.pdf); Order Granting Intervenor's Mot. For Prelim. Inj., *Texas Bankers Ass'n v. CFPB*, No. 7:23-cv-00144 (S.D. Tex. Oct. 26, 2023), ECF No. 69, [https://files.consumerfinance.gov/f/documents/cfpb\\_pi\\_second\\_order\\_texas\\_bankers.pdf](https://files.consumerfinance.gov/f/documents/cfpb_pi_second_order_texas_bankers.pdf).

<sup>6</sup> Unpublished Order, *Texas Bankers Ass'n v. CFPB*, No. 24-40705 (5th Cir. Feb. 7, 2025).

<sup>7</sup> Opinion & Order, *Monticello Banking Co. et al. v. CFPB et al.*, No. 6:23-cv-00148-KKC (E.D. Ky. Mar. 11, 2025).

<sup>8</sup> Opinion & Order, *Revenue Based Finance Coalition v. CFPB et al.*, No. 1:23-cv-24882-DSL (S.D. Fla. May 6, 2025).

<sup>9</sup> *See* Defendants' Response to Plaintiff's Unopposed Motion to Stay, ECF No. 75, *Revenue Based Finance Coalition v. CFPB et al.*, No. 1:23-cv-24882-DSL (S.D. Fla. Apr. 3, 2025).

### III. Legal Authority

The CFPB adopted the 2023 final rule pursuant to its authority under section 1071, which directs the CFPB to adopt rules governing the collection and reporting of small business lending data. Some aspects of the 2023 final rule were also adopted under the CFPB's more general rulemaking authorities in ECOA. The CFPB's legal authorities are discussed in detail in the 2023 final rule.<sup>10</sup>

The CFPB is finalizing the 2025 interim final rule's extension of the 2023 final rule's compliance dates, as previously amended by the 2024 interim final rule. ECOA section 704B(g)(1) grants the CFPB general rulemaking authority for section 1071.

### IV. Discussion of the Final Rule

Upon consideration of the comments received, the CFPB is finalizing the interim final rule. As discussed above, three courts had stayed the compliance dates set forth in the 2024 interim final rule for the plaintiffs and intervenors in those cases. However, compliance dates had not been stayed for those who were not plaintiffs, intervenors, or their members in those cases. To facilitate consistent compliance across all covered financial institutions, in the 2025 interim final rule, the CFPB extended the compliance dates set forth in the 2024 interim final rule by approximately one year. The CFPB now confirms its belief that this extension of the compliance date should be sufficient to ensure uniformity of compliance dates with the court-ordered stays and for the CFPB to issue a new proposal to reconsider certain aspects of the 2023 final rule. The CFPB is thus making no change to the 2025 interim final rule's adoption of new initial compliance dates of July 1, 2026, January 1, 2027, and October 1, 2027.

#### A. Changes to Compliance Date Provisions

The 2023 final rule's compliance dates, as amended by the 2024 interim final rule, looked to a financial institution's volume of covered credit transactions for small businesses in each of calendar years 2022 and 2023, or 2023 and 2024, to determine the applicable compliance date. Under the 2024 interim final rule, covered financial institutions that originated at least 2,500 covered transactions in both years were required to comply with the requirements of the 2023 final rule beginning July 18, 2025 (sometimes referred to as Tier 1 institutions).

Covered financial institutions not in Tier 1 that originated at least 500 covered transactions in both years had a compliance date of January 16, 2026 (Tier 2), and covered financial institutions not in Tier 1 or Tier 2 that originated at least 100 covered transactions in both years had a compliance date of October 18, 2027 (Tier 3).

In the 2025 interim final rule, the CFPB extended each of the compliance dates set forth in § 1002.114(b) by approximately one year. Thus, Tier 1 institutions now have a compliance date of July 1, 2026, Tier 2 institutions now have a compliance date of January 1, 2027, and Tier 3 institutions now have a compliance date of October 1, 2027. Likewise, institutions that did not originate at least 100 covered transactions in 2022 and 2023 but subsequently do in two consecutive calendar years are not required to comply with the rule until October 1, 2027 at the earliest. The CFPB made corresponding updates throughout the commentary accompanying § 1002.114(b) and (c), which provide additional guidance and examples regarding compliance dates.

Community group commenters opposed the compliance date extension, stating that an extension is unnecessary, creates confusion, hinders research and policy advocacy work, and imposes costs on borrowers, lenders, and policymakers. In addition, they argued that lenders and vendors have already invested in section 1071 compliance and now face regulatory limbo. Community group commenters also stated that the interim final rule will further delay the collection of critical small business lending data that is integral to improving access to capital for underserved small businesses across the country.

Industry groups and an independent office of a Federal agency supported the compliance date extension. Industry groups stated that an extension directly benefits covered entities, permitting them to ready their systems and processes without undue pressure. In addition, industry groups stated that given the various legal challenges to the section 1071 rule, it is prudent to extend the compliance dates for all covered lenders and eliminate the different timelines applicable to those lenders who challenged the rule and those who did not. Moreover, industry commenters stated that they support the delay to allow the CFPB the opportunity to reexamine the rule.

One industry group commenter suggested that the initial compliance dates begin on the first day of a calendar

month because a beginning-of-the-month start date would make the transition to collecting data less burdensome, from an operational and systems perspective. Other stakeholders had similarly requested that data collection commence at the beginning of a calendar quarter.

The independent office of a Federal agency stated that it supports the delay to provide small financial institutions additional time to understand, prepare for, and comply with the rule. In addition, an extension provides more time for outreach, education, and technical guidance from the CFPB, trade associations, and government partners. A trade association supported the compliance start date on the first day of the calendar quarter, asserting this should make the transition to collecting data smoother and improve data analysis. A State banking association stated that compliance dates should be set on the first day of a calendar month. One commenter asserted that partial year data is not useful for data analysis and thus all data reported in 2027 and 2028 will be useless. The commenter stated that the compliance dates should be universal for all covered lenders, beginning on January 1, 2028. A coalition of community groups stated that lenders have had ample time to prepare for compliance and that staggered start dates and partial year reporting are not necessary. They also requested that compliance begin for all lenders on the calendar year following resolution of the lawsuits.

One commenter identified two typographical errors in the official commentary to § 1002.114 (in comments 114(b)(2)–4.vii and 114(c)(2)–6.vi).

The CFPB agrees with commenters asserting that it would be prudent to eliminate the different timelines applicable to those lenders who challenged the rule and those who did not. The CFPB continues to believe that its decision to delay the rule's compliance dates is critical to facilitate consistent compliance across all covered financial institutions. Such a consistent approach will help address any questions of regulatory limbo and confusion that commenters raised. Moreover, the revised compliance dates are necessary to give the CFPB time to consider the feedback it has received from stakeholders since the publication of the 2023 final rule and time to reconsider certain of its provisions.

The CFPB has extended the compliance dates by approximately one year (roughly 350 days), rather than a full year because it agrees with the comments that these compliance dates would be sensible; first-of-the-month

<sup>10</sup> See, e.g., 88 FR 35150, 35173–74 (May 31, 2023).

start dates do facilitate the transition to collecting data.

The CFPB has corrected the typographical errors in the official commentary identified by a commenter in comments 114(b)(2)–4.vii and 114(c)(2)–6.vi.

The CFPB does not agree that extending the compliance dates is unnecessary or would create confusion, but rather the opposite; the 2025 interim final rule changes eliminate confusion by providing consistent dates for all financial institutions, whether or not they are plaintiffs or intervenors in litigation. The CFPB is not persuaded that these compliance date changes would hinder research and policy advocacy work; rather, uniform compliance dates would help ensure more consistent data and better analysis. Further, the CFPB does not agree that the compliance date changes impose costs on borrowers, lenders, and policymakers. The compliance dates set forth in the 2025 interim final rule, as reaffirmed in this final rule, delay the impositions of identified costs on borrowers and lenders alike. The CFPB is not persuaded that the compliance date changes impose costs on policymakers. Policymakers themselves did not comment that the 2025 interim rule would impose costs on them. Finally, while this final rule reaffirms delays in the collection of small business lending data, the delays for certain data would have occurred anyway as to some institutions because of the still outstanding litigation. The CFPB believes that the resolution of this uncertainty and addressing the underlying concerns raised by stakeholders about the 2023 final rule will, in the longer term, result in better data collection.

#### *B. Voluntary Early Collection of Protected Demographic Data*

Section 1002.114(c) addresses several transitional issues. Section 1002.114(c)(1) permits a covered financial institution to collect protected demographic information required under the 2023 final rule from small business applicants beginning 12 months prior to its compliance date. As this provision does not list any compliance dates specifically, no revisions were needed when the 2025 interim final rule was published.

The CFPB received two comments on this provision. One trade association stated that the CFPB should not allow voluntary early compliance with the current rule. The commenter asserted that the rule is potentially headed towards dramatic changes before future implementation and permitting

voluntary early compliance would open the door to significant privacy and data security risks for institutions that collect information the CFPB is not prepared to accept and may never be prepared to accept under the revised rule. Another trade association supported permitting voluntary early compliance.

After considering the comments, the CFPB determines that no changes to this provision are necessary. The CFPB continues to believe, as it has stated in the 2023 final rule, that voluntary collection is appropriate to help financial institutions prepare to comply with the rule and ensure that its systems are working properly. The CFPB observes that § 1002.114(c)(1) is optional. No financial institution is obligated to collect data under this provision, and any institution concerned that doing so would give rise to additional privacy and data security risks could simply choose not to do so.

Thus, a Tier 1 institution is permitted to begin collecting protected demographic information on or after July 1, 2025; a Tier 2 institution may begin on or after January 1, 2026; and a Tier 3 institution may begin on or after October 1, 2026, in order to test their procedures and systems for compiling and maintaining this information in advance of actually being required to collect and subsequently report it to the CFPB.<sup>11</sup>

#### *C. Alternative Period for Counting Covered Originations To Determine Compliance Tier*

In the 2025 interim final rule, the CFPB revised § 1002.114(c)(3) (adopted in the 2024 interim final rule), which as revised permits (but does not require) a financial institution to use its originations of covered credit transactions in each of calendar years 2023 and 2024, or 2024 and 2025, rather than those in 2022 and 2023, to determine its compliance date. Financial institutions may use whichever set of dates they prefer (*i.e.*, 2022 and 2023, or 2023 and 2024, or 2024 and 2025). Existing comment 114(b)–4 provides examples illustrating how a financial institution uses its

originations in 2022 and 2023, or in 2023 and 2024, to determine its compliance tier.

A trade association commenter expressed appreciation for the clarification that lenders can use 2022 and 2023, 2023 and 2024, or 2024 and 2025 to determine compliance tier.

The CFPB received no additional comments on these portions of § 1002.114(c)(3), or comment 114(b)–4, and determines that no changes to the provision are necessary.

#### *D. Determining Compliance Dates for Financial Institutions That Do Not Collect Information Sufficient To Determine Small Business Status*

Section 1002.114(c)(2) provides that a financial institution that is unable to determine the number of covered credit transactions it originated in 2022 and 2023 for purposes of determining its compliance tier is permitted to use any reasonable method to estimate its originations to small businesses for either or both of 2022 and 2023. Existing comment 114(c)–5 lists several reasonable methods a financial institution may use to estimate its originations.

Pursuant to revised § 1002.114(c)(3), which permits a financial institution to use its originations of covered credit transactions in each of calendar years 2023 and 2024, or 2024 and 2025, to determine its compliance date, financial institutions are likewise permitted to use any reasonable method to estimate their originations for either or both of 2023 and 2024, or 2024 and 2025. Existing comment 114(c)–6 provides examples of ways financial institutions may estimate their originations.

A trade association commenter expressed support for permitting lenders to use any reasonable method to estimate origination volume, stating that many lenders do not track gross annual revenue for small business customers.

The CFPB received no additional comments on § 1002.114(c)(2) or (3), or on comments 114(c)–5 or –6, and determines that no changes to these provisions are necessary.

#### *E. Deadline for Annual Data Submissions*

Section 1002.109(a)(1) provides that covered financial institutions must submit their small business lending application registers to the CFPB on or before June 1 following the calendar year for which the data are compiled and maintained. As this provision does not list any compliance dates specifically, no revisions were needed.

The CFPB received no comments on this provision. Thus, Tier 1 institutions

<sup>11</sup> Under this provision, financial institutions will have time—beginning 12 months prior to their compliance date—to adjust any procedures or systems that may result in the inaccurate compilation or maintenance of applicants' protected demographic information, the collection of which is required by section 1071 but otherwise generally prohibited under ECOA and Regulation B. (Financial institutions could of course collect the other information required by the 2023 final rule at any time, without needing express permission in Regulation B to do so, as is needed for collecting protected demographic information.) See 88 FR 35150, 35449–50 (May 31, 2023).

will make their first data submission by June 1, 2027; Tier 2 and Tier 3 by June 1, 2028.

#### V. Effective Date

The CFPB is adopting an effective date of 60 days after publication of this final rule in the **Federal Register**.

#### VI. Grace Period Policy Statement

In the 2025 interim final rule, the CFPB updated its Grace Period Policy Statement to reflect the new compliance dates to avoid any doubt as to its intentions regarding a grace period when the rule goes into effect.<sup>12</sup>

The CFPB received two supportive comments on the decision to maintain the 12-month grace period, adjusted for the new compliance dates. One individual commenter stated that the grace period fosters a cooperative regulatory environment, enabling financial institutions to refine their reporting while allowing CFPB to identify common issues and best practices. A trade association commented that while it supports the policy statement, the CFPB should consider a complete grace period such that banks are not subject to “matters requiring attention” or similar exam findings for the first year of collection. In addition, the trade association stated that the CFPB should issue a joint grace period policy statement with the banking agencies, so banks under \$10 billion have the same grace period as larger banks.

The CFPB will take these recommendations under advisement. The CFPB observes that the Grace Period Policy Statement as written already states that examinations will be diagnostic and will help to identify compliance weaknesses, and that the CFPB does not intend to assess penalties with respect to errors in the initial data submissions.<sup>13</sup> Further, the CFPB expects to work with other regulators to encourage them to adopt similar grace period policy statement.

The Grace Period Policy Statement described in the 2025 interim final rule remains in effect, for the reasons set out in that statement.

<sup>12</sup> This is a general statement of policy under the Administrative Procedure Act, 5 U.S.C. 553(b). It articulates considerations relevant to the CFPB’s exercise of its authorities. It does not impose any legal requirements, nor does it confer rights of any kind. It also does not impose any new or revise any existing recordkeeping, reporting, or disclosure requirements on covered entities or members of the public that would be collections of information requiring approval by the Office of Management and Budget under the Paperwork Reduction Act, 44 U.S.C. 3501 through 3521.

<sup>13</sup> 90 FR 25874, 25876 (June 18, 2025).

#### VII. CFPB Section 1022(b) Analysis

##### A. Overview

In developing this final rule, the CFPB has considered the potential benefits, costs, and impacts as required by section 1022(b)(2) of the Consumer Financial Protection Act of 2010 (CFPA).<sup>14</sup> Section 1022(b)(2) calls for the CFPB to consider the potential benefits and costs of a regulation to consumers and covered persons, including the potential reduction of consumer access to consumer financial products or services, the impact on depository institutions and credit unions with \$10 billion or less in total assets as described in section 1026 of the CFPA, and the impact on consumers in rural areas. In addition, section 1022(b)(2)(B) directs the CFPB to consult with appropriate prudential regulators or other Federal agencies, regarding consistency with the objectives those agencies administer. The CFPB has accordingly consulted with the appropriate prudential regulators and other Federal agencies regarding consistency with any prudential, market, or systemic objectives administered by these agencies.

This final rule confirms the determinations the CFPB made in the 2025 interim final rule, which are discussed in more detail in part VII.D below. This final rule does not make any additional substantive changes to the compliance dates or accompanying provisions.

##### B. Statement of Need

The CFPB solicited comment on the 2025 interim final rule. This final rule confirms the determinations the CFPB made in the 2025 interim final rule. This final rule does not make any additional substantive changes to the compliance dates or accompanying provisions.

##### C. Baseline for Analysis

In evaluating the potential benefits, costs, and impacts of this final rule, the CFPB takes as a baseline Regulation B as amended by the 2023 final rule, the 2024 interim final rule, and the 2025 interim final rule. Part IV above summarizes the relevant provisions of the 2023 final rule, as amended by the 2024 and 2025 interim final rules. The rule being finalized does not substantively revise Regulation B beyond the 2023 final rule, as amended by the 2024 and 2025 interim final rules, and thus does not confer any costs or benefits relative to the baseline.

<sup>14</sup> 12 U.S.C. 5512(b)(2).

##### D. General Comments on the Impact Analyses in the 2025 Interim Final Rule

The CFPB received 20 comments on the 2025 impact analysis in the interim final rule. A few comments were specific to the impact analyses of the 2025 interim final rule. We discuss these comments below. Overall, the CFPB did not receive any comments that would lead it to change its assessment of the costs or benefits of the 2025 interim final rule.

The CFPB provides an overview here of the impacts of the 2025 interim final rule to provide context for the comments it received. The CFPB determined that financial institutions would benefit from the 2025 interim final rule because of the delay in the expected costs of compliance with the 2023 final rule, caused by the extension of the compliance dates by approximately one year for all covered institutions. The CFPB expected covered financial institutions to experience an annual ongoing cost of compliance with the 2023 final rule. Therefore, extending the compliance dates potentially saves financial institutions approximately one year’s worth of expected annual compliance costs. The CFPB estimated that the expected cost savings from the 2025 interim final rule will be about \$92 million in 2025, about \$190 million in 2026, and about \$75 million in 2027, not accounting for discounting for future years. The present discounted value of the total cost savings, discounting back to 2024, is about \$313 million using a 3 percent discount rate or about \$337 million using a 7 percent discount rate.<sup>15</sup> Further amortizing these savings over three years implies an annualized cost savings of about \$119 million using either a 3 percent or a 7 percent discount rate.

The CFPB determined that the 2025 interim final rule will not change the nominal value of the one-time costs that will be incurred by covered institutions but does potentially delay the realization of those costs approximately one year into the future for institutions in each compliance tier. Thus, the new one-time costs of implementing the 2023 final rule and the 2024 and 2025 interim final rules are the baseline one-time costs discounted by approximately one year to the extent they have not already been incurred. The CFPB additionally expected that the

<sup>15</sup> We calculate these numbers primarily for the purpose of accounting for savings under Executive Order 14192. To make rules issued in different years readily comparable, accounting under Executive Order 14192 uses discounting relative to a common year, 2024.

compliance date extension by the 2025 interim final rule and the associated flexibility in years of origination data that can be used to determine coverage would confer a benefit to covered institutions with the additional time to prepare for compliance relative to the baseline. Finally, with the extension of the compliance dates by approximately one year, the 2025 interim final rule delays the realization of the potential benefits to covered financial institutions, thus conferring costs.

In part IX.F of the 2023 final rule, the CFPB described how small businesses would benefit from the rule through the enforcement of fair lending laws and on community development. In an environment with limited data sources on small business credit, the CFPB expected data collected under the rule to enable communities, governmental entities, and creditors to identify business and community development needs and opportunities for women-owned, minority-owned, and small businesses. The CFPB also expected data collected under the 2023 final rule to facilitate fair lending enforcement by Federal, State, and local enforcement agencies. To the extent small businesses benefit in the above ways from the 2023 final rule, the CFPB determined that the extension of the compliance dates by the 2025 interim final rule reduces the benefits accruing to small businesses by delaying the realization of these benefits, thus conferring costs. The CFPB expected that the benefits of the 2023 final rule will primarily begin with the publication of the data. Thus, small businesses' and financial institutions' realizations of the benefits arising from the 2023 final rule will likewise be delayed by at least one year by the 2025 interim final rule, reducing the real net present value of these expected future benefits. The 2023 final rule also described that the CFPB expected financial institutions to pass on a portion of their annual ongoing costs to small business borrowers in the form of higher rates or fees. While, in general, the CFPB expected the magnitude of any pass-through to be a small portion of the total cost of the average loan to a small business applicant, extended compliance dates from the 2025 interim final rule could benefit small business borrowers by delaying these increased costs.

A coalition of community groups asserted that the 2025 impact analysis in the interim final rule overestimates the costs of the 2023 final rule, and that, accordingly, the cost savings of the 2025 interim final rule were overestimated. The CFPB relied on the same cost estimates from the 2023 final rule to

quantify the cost savings of the 2025 interim final rule and continues to believe that they are appropriate for estimating the impacts of the rule. The group did not provide additional estimates of the 2025 interim final rule.

The group further asserted that the 2025 interim final rule dismissed critical benefits of the 2023 final rule, thus underestimating the costs of delaying implementation. In particular, the group claims that the 2025 interim final rule does not fully account for the benefit of market transparency for lenders because of the 2023 final rule, which would offset compliance costs. The group also points out that the annualized cost savings of the rule represent only a fraction of the income of insured depository institutions in 2024. Finally, the group asserted that suggesting that these benefits are merely qualitative diminishes the costs of discriminatory treatment. The group did not provide additional substantive information on the costs of delaying benefits of the 2023 final rule but commented that these costs would be significant.

The CFPB acknowledges the difficulty of precisely estimating the benefits of the 2023 final rule, and thus the costs of delaying data collection associated with the 2025 interim final rule. However, comments raising concerns about the lack of precise estimates did not provide sufficient new sources of data or alternative methods that could be used to quantify the costs of delaying data collection. Given the available information, the CFPB continues to believe the costs of delayed benefits of the 2025 interim final rule have been well considered, even if the CFPB is unable to estimate the magnitude of the costs.

An independent office of a Federal agency commented on the 2025 interim final rule that the 2023 final rule did not fully consider costs to small entities, though the commenter relied on those estimates to describe the cost savings of the 2025 interim final rule. For example, the commenter asserted that the CFPB did not properly account for comments from the agency on the 2023 final rule regarding the costs of staff time, training, and implementing new processes. However, the commenter did not provide sufficient information upon which to update these estimates in their comments on the 2023 final rule or the 2025 interim final rule. The CFPB continues to believe that the impacts of the 2023 final rule were well considered and responsive to comments, as discussed in the 2023 final rule.

#### *E. Potential Benefits and Costs to Covered Persons and Small Businesses*

As discussed in part VII.C, the rule being finalized does not substantively revise Regulation B beyond the baseline. Further, the CFPB did not receive comments that would suggest it is necessary to reconsider the impacts of the 2025 interim final rule. Thus, the CFPB does not anticipate that this final rule will confer any additional costs or benefits to covered persons or small businesses beyond those already accounted for in the 2025 interim final rule.

#### *F. Potential Impacts on Depository Institutions and Credit Unions With \$10 Billion or Less in Total Assets, as Described in CFPB Section 1026*

The CFPB does not anticipate that this final rule will confer any additional costs or benefits to depository institutions and credit unions with \$10 billion or less in total assets beyond those already accounted for in the 2025 interim final rule.

#### *G. Potential Impacts on Small Businesses' Access to Credit and on Small Businesses in Rural Areas*

The CFPB does not anticipate that this final rule will confer any additional costs or benefits to depository institutions and credit unions with \$10 billion or less in total assets beyond those already accounted for in the 2025 interim final rule.

### **VIII. Regulatory Flexibility Act Analysis**

The CFPB's Acting Director certifies that this final rule will not have any impacts on small entities and so a final regulatory flexibility analysis is not required.<sup>16</sup> The rule will not impose any costs on creditors, including small entities.

### **IX. Paperwork Reduction Act**

Under the Paperwork Reduction Act of 1995 (PRA), Federal agencies are generally required to seek approval from the Office of Management and Budget (OMB) for information collection requirements prior to implementation. Under the PRA, the CFPB may not conduct or sponsor, and, notwithstanding any other provision of law, a person is not required to respond to an information collection unless the information collection displays a valid control number assigned by OMB. The final rule amends 12 CFR part 1002 (Regulation B), which implements the small business lending rule. The CFPB's OMB control number for Regulation B is

<sup>16</sup> 5 U.S.C. 605(b).

3170–0013; its current expiration date is August 31, 2026.

The 2025 interim final rule did not add to or change the data collection requirements of the 2023 final rule; rather, it only changed the rule's compliance dates and makes other date-related conforming adjustments. The CFPB therefore determined that this 2025 interim final rule was "economically significant." This action was considered an Executive Order 14192 deregulatory action. However, the CFPB does not anticipate that this final rule will generate any costs or benefits relative to the baseline of the 2025 interim final rule.

#### X. Congressional Review Act

Pursuant to the Congressional Review Act (5 U.S.C. 801 *et seq.*), the CFPB will submit a report containing this final rule and other required information to the U.S. Senate, the U.S. House of Representatives, and the Comptroller General of the United States at least 60 days prior to the rule's published effective date. The Office of Information and Regulatory Affairs (OIRA) within the Office of Management and Budget (OMB) has designated this final rule as a "major rule" as defined by 5 U.S.C. 804(2).

#### XI. Regulatory Review

OIRA has determined that this action is a "economically significant regulatory action" under Executive Order 12866. Accordingly, OMB has reviewed this action.

#### List of Subjects in 12 CFR Part 1002

Banks, Banking, Civil rights, Consumer protection, Credit, Credit unions, Marital status discrimination, National banks, Penalties.

For the reasons set forth in the preamble, the CFPB amends Regulation B, 12 CFR part 1002, as follows:

#### PART 1002—EQUAL CREDIT OPPORTUNITY ACT (REGULATION B)

■ 1. The authority citation for part 1002 continues to read as follows:

**Authority:** 12 U.S.C. 5512, 5581; 15 U.S.C. 1691b. Subpart B is also issued under 15 U.S.C. 1691c–2.

■ 2. Revise and republish § 1002.114 to read as follows:

#### § 1002.114 Effective date, compliance date, and special transitional rules.

(a) *Effective date.* The effective date for this subpart is August 29, 2023.

(b) *Compliance date.* The dates by which covered financial institutions are initially required to comply with the

requirements of this subpart are as follows:

(1) A covered financial institution that originated at least 2,500 covered credit transactions for small businesses in each of calendar years 2022 and 2023 shall comply with the requirements of this subpart beginning July 1, 2026.

(2) A covered financial institution that is not subject to paragraph (b)(1) of this section and that originated at least 500 covered credit transactions for small businesses in each of calendar years 2022 and 2023 shall comply with the requirements of this subpart beginning January 1, 2027.

(3) A covered financial institution that is not subject to paragraphs (b)(1) or (2) of this section and that originated at least 100 covered credit transactions for small businesses in each of calendar years 2022 and 2023 shall comply with the requirements of this subpart beginning October 1, 2027.

(4) A financial institution that did not originate at least 100 covered credit transactions for small businesses in each of calendar years 2022 and 2023 but subsequently originates at least 100 such transactions in two consecutive calendar years shall comply with the requirements of this subpart in accordance with § 1002.105(b), but in any case no earlier than October 1, 2027.

(c) *Special transitional rules*—(1) *Collection of certain information prior to a financial institution's compliance date.* A financial institution as described in paragraphs (b)(1), (2), or (3) of this section is permitted, but not required, to collect information regarding whether an applicant for a covered credit transaction is a minority-owned business, a women-owned business, and/or an LGBTQI+-owned business under § 1002.107(a)(18), and the ethnicity, race, and sex of the applicant's principal owners under § 1002.107(a)(19) beginning 12 months prior to its applicable compliance date as set forth in paragraphs (b)(1), (2), or (3) of this section. A financial institution collecting such information pursuant to this paragraph (c)(1) must do so in accordance with the requirements set out in §§ 1002.107(a)(18) and (19), 1002.108, and 1002.111(b) and (c).

(2) *Determining which compliance date applies to a financial institution that does not collect information sufficient to determine small business status.* A financial institution that is unable to determine the number of covered credit transactions it originated for small businesses in each of calendar years 2022 and 2023 for purposes of determining its compliance date pursuant to paragraph (b) of this section,

because for some or all of this period it does not have readily accessible the information needed to determine whether its covered credit transactions were originated for small businesses as defined in § 1002.106(b), is permitted to use any reasonable method to estimate its originations to small businesses for either or both of the calendar years 2022 and 2023.

(3) *Alternative time period for determining compliance dates.* A financial institution is permitted to use its originations of covered credit transactions in each of calendar years 2023 and 2024, or 2024 and 2025, in lieu of calendar years 2022 and 2023 as specified in paragraphs (b) and (c)(2) of this section.

■ 3. In Supplement I to part 1002, under "Section 1002.114—Effective Date, Compliance Date, and Special Transition Rules", revise "114(b) Compliance Date" and "114(c) Special Transition Rules" to read as follows:

#### Supplement I to Part 1002—Official Interpretations

\* \* \* \* \*

#### Section 1002.114—Effective Date, Compliance Date, and Special Transition Rules

114(b) Compliance Date 1. *Application of compliance date.* The applicable compliance date in § 1002.114(b) is the date by which the covered financial institution must begin to compile data as specified in § 1002.107, comply with the firewall requirements of § 1002.108, and begin to maintain records as specified in § 1002.111. In addition, the covered financial institution must comply with § 1002.110(c) and (d) no later than June 1 of the year after the applicable compliance date. For instance, if § 1002.114(b)(2) applies to a financial institution, it must comply with §§ 1002.107 and 1002.108, and portions of § 1002.111, beginning January 1, 2027, and it must comply with § 1002.110(c) and (d), and portions of § 1002.111, no later than June 1, 2028.

2. *Initial collections pursuant to § 1002.114(b).* i. When the compliance date of July 1, 2026 specified in § 1002.114(b)(1) applies to a covered financial institution, the financial institution is required to collect data for covered applications during the period from July 1, 2026 to December 31, 2026. The financial institution must compile data for this period pursuant to § 1002.107, comply with the firewall requirements of § 1002.108, and maintain records as specified in § 1002.111. In addition, for data collected during this period, the covered financial institution must comply with §§ 1002.109 and 1002.110(c) and (d) by June 1, 2027.

ii. When the compliance date of January 1, 2027 specified in § 1002.114(b)(2) applies to a covered financial institution, the financial institution is required to collect data for covered applications during the period from January 1, 2027 to December 31, 2027. The financial institution must compile data for

this period pursuant to § 1002.107, comply with the firewall requirements of § 1002.108, and maintain records as specified in § 1002.111. In addition, for data collected during this period, the covered financial institution must comply with §§ 1002.109 and 1002.110(c) and (d) by June 1, 2028.

iii. When the compliance date of October 1, 2027 specified in § 1002.114(b)(3) or (4) applies to a covered financial institution, the financial institution is required to collect data for covered applications during the period from October 1, 2027 to December 31, 2027. The financial institution must compile data for this period pursuant to § 1002.107, comply with the firewall requirements of § 1002.108, and maintain records as specified in § 1002.111. In addition, for data collected during this period, the covered financial institution must comply with §§ 1002.109 and 1002.110(c) and (d) by June 1, 2028.

3. *Informal names for compliance date provisions.* To facilitate discussion of the compliance dates specified in § 1002.114(b)(1), (2), and (3), in the official commentary and any other documents referring to these compliance dates, the Bureau adopts the following informal simplified names. Tier 1 refers to the cohort of covered financial institutions that have a compliance date of July 1, 2026 pursuant to § 1002.114(b)(1). Tier 2 refers to the cohort of covered financial institutions that have a compliance date of January 1, 2027 pursuant to § 1002.114(b)(2). Tier 3 refers to the cohort of covered financial institutions that have a compliance date of October 1, 2027 pursuant to § 1002.114(b)(3).

4. *Examples.* The following scenarios illustrate how to determine whether a financial institution is a covered financial institution and which compliance date specified in § 1002.114(b) applies. Unless otherwise indicated, in each example the financial institution has chosen to use its originations in 2022 and 2023 (rather than 2023 and 2024, or 2024 and 2025, as permitted by § 1002.114(c)(3)) to determine its initial compliance tier.

i. Financial Institution A originated 3,000 covered credit transactions for small businesses in calendar year 2022, and 3,000 in calendar year 2023. Financial Institution A is in Tier 1 and has a compliance date of July 1, 2026.

ii. Financial Institution B originated 2,000 covered credit transactions for small businesses in calendar year 2022, and 3,000 in calendar year 2023. Because Financial Institution B did not originate at least 2,500 covered credit transactions for small businesses in each of 2022 and 2023, it is not in Tier 1. Because Financial Institution B did originate at least 500 covered credit transactions for small businesses in each of 2022 and 2023, it is in Tier 2 and has a compliance date of January 1, 2027.

iii. Financial Institution C originated 400 covered credit transactions for small businesses in calendar year 2022, and 1,000 in calendar year 2023. Because Financial Institution C did not originate at least 2,500 covered credit transactions for small businesses in each of 2022 and 2023, it is not in Tier 1, and because it did not originate at least 500 covered credit transactions for

small businesses in each of 2022 and 2023, it is not in Tier 2. Because Financial Institution C did originate at least 100 covered credit transactions for small businesses in each of 2022 and 2023, it is in Tier 3 and has a compliance date of October 1, 2027.

iv. Financial Institution D originated 90 covered credit transactions to small businesses in calendar year 2022, 120 in calendar year 2023, and 90 in calendar years 2024, 2025, 2026, and 2027. Because Financial Institution D did not originate at least 100 covered credit transactions for small businesses in each of 2022 and 2023, it is not in Tier 1, Tier 2, or Tier 3. Because Financial Institution D did not originate at least 100 covered credit transactions for small businesses in subsequent consecutive calendar years, it is not a covered financial institution under § 1002.105(b) and is not required to comply with the rule in 2026, 2027, or 2028.

v. Financial Institution E originated 120 covered credit transactions for small businesses in each of calendar years 2022, 2023, 2024, 2025, and 90 in 2026. Because Financial Institution E did not originate at least 2,500 or 500 covered credit transactions for small businesses in each of 2022 and 2023, it is not in Tier 1 or Tier 2. Because Financial Institution E originated at least 100 covered credit transactions for small businesses in each of 2022 and 2023, it is in Tier 3 and has a compliance date of October 1, 2027. However, because Financial Institution E did not originate at least 100 covered credit transactions for small businesses in both 2025 and 2026, it no longer satisfies the definition of a covered financial institution in § 1002.105(b) at the time of the compliance date for Tier 3 institutions and thus is not required to comply with the rule in 2027.

vi. Financial Institution F originated 90 covered credit transactions for small businesses in calendar year 2022, and 120 in 2023, 2024, 2025, and 2026. Because Financial Institution F did not originate at least 100 covered credit transactions for small businesses in each of 2022 and 2023, it is not in Tier 1, Tier 2, or Tier 3. Because Financial Institution F originated at least 100 covered credit transactions for small businesses in subsequent calendar years, § 1002.114(b)(4), which cross-references § 1002.105(b), applies to Financial Institution F. Because Financial Institution F originated at least 100 covered credit transactions for small businesses in each of 2025 and 2026, it is a covered financial institution under § 1002.105(b) and is required to comply with the rule beginning October 1, 2027. Alternatively, if Financial Institution F chooses to use its originations in calendar years 2023 and 2024 (or 2024 and 2025) to determine its compliance tier pursuant to § 1002.114(c)(3), it would be in Tier 3 and likewise required to comply with the rule beginning October 1, 2027.

vii. Financial Institution G originated 90 covered credit transactions for small businesses in each of calendar years 2022, 2023, 2024, 2025, 2026, and 2027, and 120 in each of 2028 and 2029. Because Financial Institution G did not originate at least 100

covered credit transactions for small businesses in each of 2022 and 2023, it is not in Tier 1, Tier 2, or Tier 3. Because Financial Institution G originated at least 100 covered credit transactions for small businesses in subsequent calendar years, § 1002.114(b)(4), which cross-references § 1002.105(b), applies to Financial Institution G. Because Financial Institution G originated at least 100 covered credit transactions for small businesses in each of 2028 and 2029, it is a covered financial institution under § 1002.105(b) and is required to comply with the rule beginning January 1, 2030.

viii. Financial Institution H originated 550 covered credit transactions for small businesses in each of calendar years 2022 and 2023, 450 in 2024, and 550 in 2025 and 2026. Because Financial Institution H originated at least 500 covered credit transactions for small businesses in each of 2022 and 2023, it would be in Tier 2 and have a compliance date of January 1, 2027. However, § 1002.114(c)(3) permits financial institutions to use their originations in 2023 and 2024 (or 2024 and 2025), rather than in 2022 and 2023, to determine compliance tier. If Financial Institution H elects to use its originations in 2023 and 2024, it would be in Tier 3 and required to comply with the rule beginning October 1, 2027.

#### 114(c) Special Transition Rules

1. *Collection of certain information prior to a financial institution's compliance date.* Notwithstanding § 1002.5(a)(4)(ix), a financial institution that chooses to collect information on covered applications as permitted by § 1002.114(c)(1) in the 12 months prior to its initial compliance date as specified in § 1002.114(b)(1), (2) or (3) need comply only with the requirements set out in §§ 1002.107(a)(18) and (19), 1002.108, and 1002.111(b) and (c) with respect to the information collected. During this 12-month period, a covered financial institution need not comply with the provisions of § 1002.107 (other than §§ 1002.107(a)(18) and (19)), 1002.109, 1002.110, 1002.111(a), or 1002.114.

2. *Transition rule for applications received prior to a compliance date but final action is taken after a compliance date.* If a covered financial institution receives a covered application from a small business prior to its initial compliance date specified in § 1002.114(b), but takes final action on or after that date, the financial institution is not required to collect data regarding that application pursuant to § 1002.107 nor to report the application pursuant to § 1002.109. For example, if a financial institution is subject to a compliance date of July 1, 2026, and it receives an application on June 27, 2026 but does not take final action on the application until July 25, 2026, the financial institution is not required to collect data pursuant to § 1002.107 nor to report data to the Bureau pursuant to § 1002.109 regarding that application.

3. *Has readily accessible the information needed to determine small business status.* A financial institution has readily accessible the information needed to determine whether its originations of covered credit transactions were for small businesses as defined in § 1002.106 if, for instance, it in the ordinary

course of business collects data on the precise gross annual revenue of the businesses for which it originates loans, it obtains information sufficient to determine whether an applicant for business credit had gross annual revenues of \$5 million or less, or if it collects and reports similar data to Federal or State government agencies pursuant to other laws or regulations.

4. *Does not have readily accessible the information needed to determine small business status.* A financial institution does not have readily accessible the information needed to determine whether its originations of covered credit transactions were for small businesses as defined in § 1002.106 if it did not in the ordinary course of business collect either precise or approximate information on whether the businesses to which it originated covered credit transactions had gross annual revenue of \$5 million or less. In addition, even if precise or approximate information on gross annual revenue was initially collected, a financial institution does not have readily accessible this information if, to retrieve this information, for example, it must review paper loan files, recall such information from either archived paper records or scanned records in digital archives, or obtain such information from third parties that initially obtained this information but did not transmit such information to the financial institution.

5. *Reasonable method to estimate the number of originations.* The reasonable methods that financial institutions may use to estimate originations for 2022 and 2023 (or for 2023 and 2024, or 2024 and 2025, pursuant to § 1002.114(c)(3)) include, but are not limited to, the following:

i. A financial institution may comply with § 1002.114(c)(2) by determining the small business status of covered credit transactions by asking every applicant, prior to the closing of approved transactions, to self-report whether it had gross annual revenue for its preceding fiscal year of \$5 million or less, during the period October 1 through December 31, 2023. The financial institution may annualize the number of covered credit transactions it originates to small businesses from October 1 through December 31, 2023 by quadrupling the originations for this period, and apply the annualized number of originations to both calendar years 2022 and 2023. Pursuant to § 1002.114(c)(3), a financial institution is permitted to use its originations in 2023 and 2024 (or 2024 and 2025), rather than 2022 and 2023, to determine its compliance tier. Thus, for example, a financial institution may ask applicants to self-report revenue information during the period of October 1 through December 31, 2024, and then may annualize the number of covered credit transactions it originated to small businesses during that period and apply the annualized number of originations to both calendar years 2023 and 2024.

ii. A financial institution may comply with § 1002.114(c)(2) by assuming that every covered credit transaction it originates for business customers in calendar years 2022 and 2023 (or in 2023 and 2024, or 2024 and 2025) is to a small business.

iii. A financial institution may comply with § 1002.114(c)(2) by using another

methodology provided that such methodology is reasonable and documented in writing.

6. *Examples.* The following scenarios illustrate the potential application of § 1002.114(c)(2) to a financial institution's compliance date under § 1002.114(b). Unless otherwise indicated, in each example the financial institution has chosen to estimate its originations for 2022 and 2023 (rather than 2023 and 2024 or 2024 or 2025 as permitted by § 1002.114(c)(3)) to determine its initial compliance tier.

i. Prior to October 1, 2023, Financial Institution A did not collect gross annual revenue or other information that would allow it to determine the small business status of the businesses for whom it originated covered credit transactions in calendar years 2022 and 2023. Financial Institution A chose to use the methodology set out in comment 114(c)-5.i and as of October 1, 2023 began to collect information on gross annual revenue as defined in § 1002.107(a)(14) for its covered credit transactions originated for businesses. Using this information, Financial Institution A determined that it had originated 750 covered credit transactions for businesses that were small as defined in § 1002.106. On an annualized basis, Financial Institution A originated 3,000 covered credit transactions for small businesses ( $750 \text{ originations} * 4 = 3,000 \text{ originations per year}$ ). Applying this annualized figure of 3,000 originations to both calendar years 2022 and 2023, Financial Institution A is in Tier 1 and has a compliance date of July 1, 2026.

ii. Prior to July 1, 2023, Financial Institution B collected gross annual revenue information for some applicants for business credit, but such information was only noted in its paper loan files. Financial Institution B thus does not have reasonable access to information that would allow it to determine the small business status of the businesses for whom it originated covered credit transactions for calendar years 2022 and 2023. Financial Institution B chose to use the methodology set out in comment 114(c)-5.i, and as of October 1, 2023, Financial Institution B began to ask all businesses for whom it was closing covered credit transactions if they had gross annual revenues in the preceding fiscal year of \$5 million or less. Using this information, Financial Institution B determined that it had originated 350 covered credit transactions for businesses that were small as defined in § 1002.106. On an annualized basis, Financial Institution B originated 1,400 covered credit transactions for small businesses ( $350 \text{ originations} * 4 = 1,400 \text{ originations per year}$ ). Applying this estimated figure of 1,400 originations to both calendar years 2022 and 2023, Financial Institution B is in Tier 2 and has a compliance date of January 1, 2027.

iii. Prior to April 1, 2023, Financial Institution C did not collect gross annual revenue or other information that would allow it to determine the small business status of the businesses for whom it originated covered credit transactions in calendar years 2022 and 2023. Financial Institution C chose its own methodology

pursuant to comment 114(c)-5.iii, basing it in part on the methodology specified in comment 114(c)-5.i. Starting on April 1, 2023, Financial Institution C began to ask all business applicants for covered credit transactions if they had gross annual revenue in their preceding fiscal year of \$5 million or less. Using this information, Financial Institution C determined that it had originated 100 covered credit transactions for businesses that were small as defined in § 1002.106. On an annualized basis, Financial Institution C originated approximately 133 covered credit transactions for small businesses ( $(100 \text{ originations} * 365 \text{ days}) / 275 \text{ days} = 132.73 \text{ originations per year}$ ). Applying this estimate of 133 originations to both calendar years 2022 and 2023, Financial Institution C is in Tier 3 and has a compliance date of October 1, 2027.

iv. Financial Institution D did not collect gross annual revenue or other information that would allow it to determine the small business status of the businesses for whom it originated covered credit transactions in calendar years 2022 and 2023. Financial Institution D determined that it had originated 3,000 total covered credit transactions for businesses in each of 2022 and 2023. Applying the methodology specified in comment 114(c)-5.ii, Financial Institution D assumed that all 3,000 covered credit transactions originated in each of 2022 and 2023 were to small businesses. On that basis, Financial Institution D is in Tier 1 and has a compliance date of July 1, 2026.

v. Financial Institution E did not collect gross annual revenue or other information that would allow it to determine the small business status of the businesses for whom it originated covered credit transactions in calendar years 2022 and 2023. Financial Institution E determined that it had originated 700 total covered credit transactions for businesses in each of 2022 and 2023. Applying the methodology specified in comment 114(c)-5.ii, Financial Institution E assumed that all such transactions in each of 2022 and 2023 were originated for small businesses. On that basis, Financial Institution E is in Tier 2 and has a compliance date of January 1, 2027.

vi. Financial Institution F does not have readily accessible gross annual revenue or other information that would allow it to determine the small business status of the businesses for whom it originated covered credit transactions in calendar years 2022 and 2023. Financial Institution F determined that it had originated 80 total covered credit transactions for businesses in 2022 and 150 total covered credit transactions for businesses in 2023. Applying the methodology set out in comment 114(c)-5.ii, Financial Institution F assumed that all such transactions originated in 2022 and 2023 were originated for small businesses. On that basis, Financial Institution F is not in Tier 1, Tier 2 or Tier 3, and is subject to the compliance date provision specified in § 1002.114(b)(4).

vii. Financial Institution G does not have readily accessible gross annual revenue or other information that would allow it to determine the small business status of the

businesses for whom it originated covered credit transactions in calendar years 2022, 2023, 2024, or 2025. Financial Institution G chose to use the methodology set out in comment 114(c)-5.i, and as of October 1, 2025, Financial Institution G began to ask all businesses for whom it was closing covered credit transactions if they had gross annual revenue in the preceding fiscal year of \$5 million or less. Using this information, Financial Institution G determined that it had originated 700 covered credit transactions during that period for businesses that were small as defined in § 1002.106. On an annualized basis, Financial Institution G originated 2,800 covered credit transactions for small businesses (700 originations \* 4 = 2,800 originations per year). Applying this estimated figure of 2,800 originations to both calendar years 2024 and 2025, Financial Institution G is in Tier 1 and has a compliance date of July 1, 2026.

\* \* \* \* \*

#### Russell Vought,

Acting Director, Consumer Financial Protection Bureau.

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## DEPARTMENT OF TRANSPORTATION

### Federal Aviation Administration

#### 14 CFR Part 39

[Docket No. FAA-2025-3427; Project Identifier MCAI-2025-01344-T; Amendment 39-23166; AD 2025-20-13]

RIN 2120-AA64

#### Airworthiness Directives; Airbus SAS Airplanes

**AGENCY:** Federal Aviation Administration (FAA), DOT.

**ACTION:** Final rule; request for comments.

**SUMMARY:** The FAA is adopting a new airworthiness directive (AD) for all Airbus SAS Model A330-200, A330-200 Freighter, A330-300, A340-200, A340-300, A340-500, and A340-600 series airplanes. This AD was prompted by the determination that, during flight with landing gear down, the brake system accumulators and shut-off valve (SOV) protecting the brake accumulators might be exposed to a temperature lower than the one for which the accumulator and SOV are qualified. This AD is also prompted by the determination that, if an airplane is dispatched under existing conditions associated with the “L/G Retraction Fault” alert, operations for Constant Speed Motor/Generator (CSM/G) will be prevented. This AD requires revising the existing airplane flight manual (AFM) to incorporate new procedures for flight

with landing gear down and the existing minimum equipment list (MEL) to prevent dispatch with an “L/G Retraction Fault” alert. The FAA is issuing this AD to address the unsafe condition on these products.

**DATES:** This AD is effective October 17, 2025.

The Director of the Federal Register approved the incorporation by reference of a certain publication listed in this AD as of October 17, 2025.

The FAA must receive comments on this AD by November 17, 2025.

**ADDRESSES:** You may send comments, using the procedures found in 14 CFR 11.43 and 11.45, by any of the following methods:

- *Federal eRulemaking Portal:* Go to [regulations.gov](https://www.regulations.gov). Follow the instructions for submitting comments.
- *Fax:* 202-493-2251.
- *Mail:* U.S. Department of Transportation, Docket Operations, M-30, West Building Ground Floor, Room W12-140, 1200 New Jersey Avenue SE, Washington, DC 20590.
- *Hand Delivery:* Deliver to Mail address above between 9 a.m. and 5 p.m., Monday through Friday, except Federal holidays.

*AD Docket:* You may examine the AD docket at [regulations.gov](https://www.regulations.gov) under Docket No. FAA-2025-3427; or in person at Docket Operations between 9 a.m. and 5 p.m., Monday through Friday, except Federal holidays. The AD docket contains this final rule, the mandatory continuing airworthiness information (MCAI), any comments received, and other information. The street address for Docket Operations is listed above.

*Material Incorporated by Reference:*

- For European Union Aviation Safety Agency (EASA) material identified in this AD, contact EASA, Konrad-Adenauer-Ufer 3, 50668 Cologne, Germany; telephone +49 221 8999 000; email [ADS@easa.europa.eu](mailto:ADS@easa.europa.eu). You may find this material on the EASA website at [ad.easa.europa.eu](https://ad.easa.europa.eu).

- You may view this material at the FAA, Airworthiness Products Section, Operational Safety Branch, 2200 South 216th St., Des Moines, WA. For information on the availability of this material at the FAA, call 206-231-3195. It is also available at [regulations.gov](https://www.regulations.gov) under Docket No. FAA-2025-3427.

**FOR FURTHER INFORMATION CONTACT:** Frank Carreras, Aviation Safety Engineer, FAA, 2200 South 216th St., Des Moines, WA 98198; phone: 206-231-3539; email: [Frank.Carreras@faa.gov](mailto:Frank.Carreras@faa.gov).

**SUPPLEMENTARY INFORMATION:**

#### Comments Invited

The FAA invites you to send any written data, views, or arguments about this final rule. Send your comments using a method listed under the **ADDRESSES** section. Include “Docket No. FAA-2025-3427; Project Identifier MCAI-2025-01344-T” at the beginning of your comments. The most helpful comments reference a specific portion of the final rule, explain the reason for any recommended change, and include supporting data. The FAA will consider all comments received by the closing date and may amend this final rule because of those comments.

Except for Confidential Business Information (CBI) as described in the following paragraph, and other information as described in 14 CFR 11.35, the FAA will post all comments received, without change, to [regulations.gov](https://www.regulations.gov), including any personal information you provide. The agency will also post a report summarizing each substantive verbal contact received about this final rule.

#### Confidential Business Information

CBI is commercial or financial information that is both customarily and actually treated as private by its owner. Under the Freedom of Information Act (FOIA) (5 U.S.C. 552), CBI is exempt from public disclosure. If your comments responsive to this AD contain commercial or financial information that is customarily treated as private, that you actually treat as private, and that is relevant or responsive to this AD, it is important that you clearly designate the submitted comments as CBI. Please mark each page of your submission containing CBI as “PROPIN.” The FAA will treat such marked submissions as confidential under the FOIA, and they will not be placed in the public docket of this AD. Submissions containing CBI should be sent to Frank Carreras, Aviation Safety Engineer, FAA, 2200 South 216th St., Des Moines, WA 98198; phone: 206-231-3539; email: [Frank.Carreras@faa.gov](mailto:Frank.Carreras@faa.gov). Any commentary that the FAA receives which is not specifically designated as CBI will be placed in the public docket for this rulemaking.

#### Background

EASA, which is the Technical Agent for the Member States of the European Union, has issued EASA AD 2025-0175, dated August 8, 2025 (EASA AD 2025-0175) (also referred to as the MCAI), to correct an unsafe condition for all Airbus SAS Model A330-200, A330-200 Freighter, A330-300, A340-200, and A340-300 series airplanes; and