

Regulatory Compliance: Hot Topics for Equipment Finance Lenders

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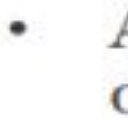
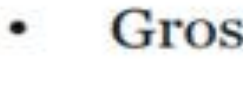
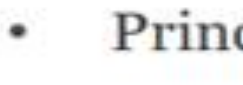
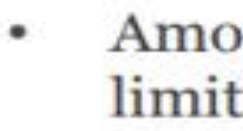

May 14, 2025 Nashville, TN Session 3

Section 1071: Latest Developments

The Only Event for Equipment Dealers and Finance Providers

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
- 
 - Type and purpose of the loan or credit
- 
 - Race, sex and ethnicity of the principal owners
- 
 - Amount of credit or credit limit applied for
- 
 - Action taken by the institution and date of such action
- 
 - Gross annual revenue in last fiscal year
- 
 - Principal place of business (census tract)
- 
 - Amount of credit transaction or credit limit approved
- 

Consumer Financial
Protection Bureau

What is the latest?

- *Revenue Based Finance Coalition v. CFPB*
- Recent Executive Orders
- A weakened CFPB
- HR 976 - 1071 Repeal

By [Casey Tolan](#), [Audrey Ash](#) and [Rene Marsh](#), CNN
🕒 14 minute read · Published 10:44 AM EST, Thu December 14, 2023

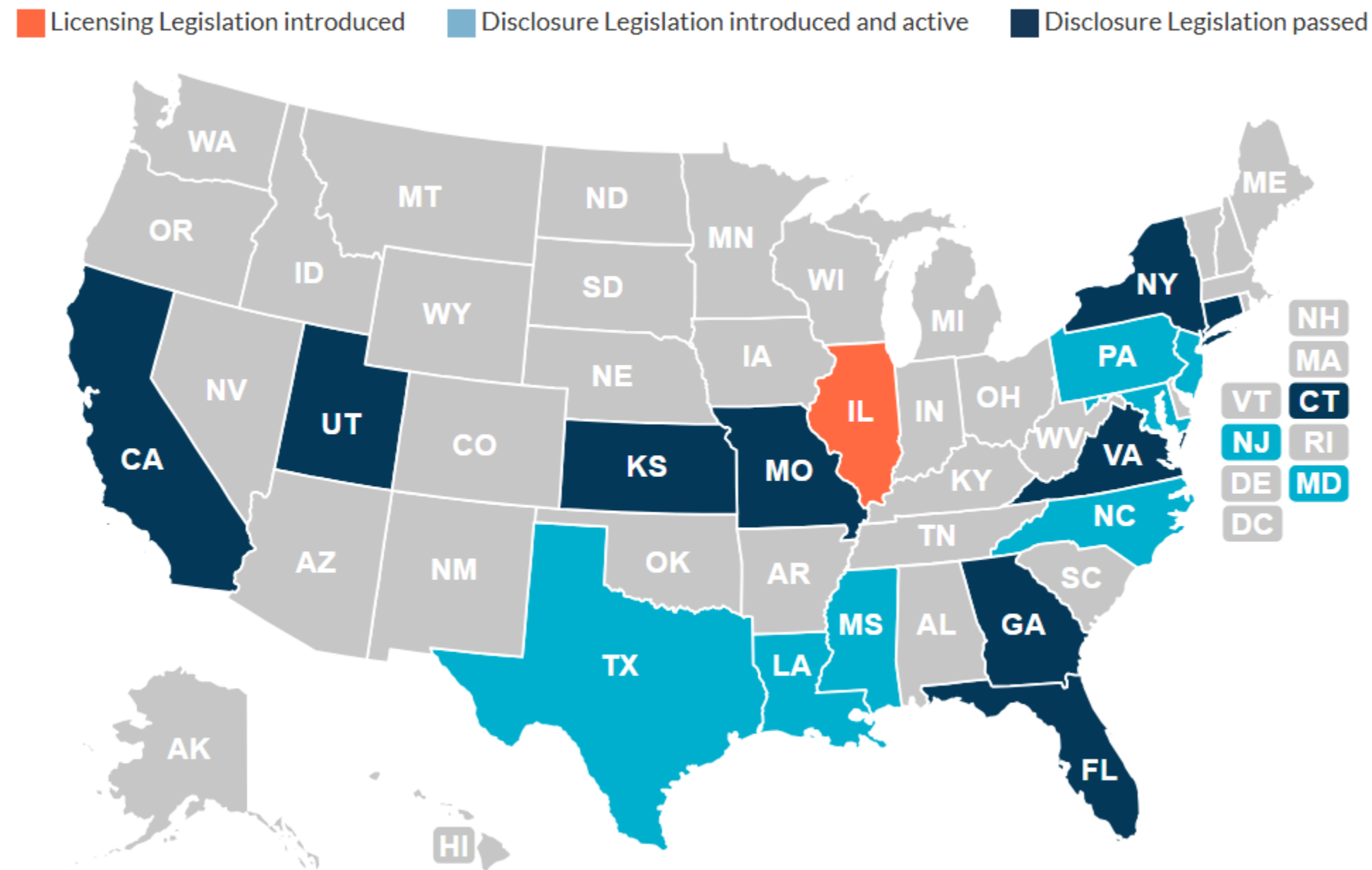
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Commercial Financing Disclosure Laws

The Only Event for Equipment Dealers and Finance Providers

The State of Commercial Finance Disclosure Laws



Complex Patchwork of State Laws

	New York	Virginia	California	Utah	Missouri
Transaction Size	\$2.5 million	\$500,000	\$500,000	\$1 million	\$500,000
Sales-based financing only	No	Yes	No	No	No
Specific Disclosure Form Used	No	Yes	No	No	No
APR	Yes	No	Yes	No	No
Register/Licensing	No	Yes	Yes	Yes	Yes (brokers)

Complex Patchwork of State Laws

	Georgia	Florida	Kansas	Connecticut
Transaction Size	\$500,000	\$500,000	\$500,000	\$250,000
Sales-based financing only	No	No	No	Yes
Specific Disclosure Form Used	No	No	No	Yes
APR	No	No	No	No
Register/Licensing	No	No	No	Yes

Challenges and Developments

- Operational challenges (harmonizing disclosure practices, APR, technology challenges)
- Licensing and registration laws
- Uniform Law Commission

FTC Safeguards Rule

The Only Event for Equipment Dealers and Finance Providers

Common Pitfalls



- **Assuming it Does Not Apply**
- **Set it and Forget it Security Programs/Incomplete Risk Assessments**
- **No written policies/training**

Compliance Tips



- **Conduct a Risk Assessment**
- **Third Party Vendor Management**
- **Document & Test your Incident Response Plan**