

Read Chairman Williams' opening remarks as prepared for delivery:

"I rise today in support of this Joint Resolution of Disapproval.

"We must overturn the CFPB's Small Business Lending Rule to ensure small businesses across America, who are the backbone of our country, have continued access to affordable credit to support and grow our economy.

"Access to affordable credit is key to ensuring communities across America remain vibrant. Unfortunately, the CFPB's Small Business Lending Rule undermines the goal of affordable and available credit, which I think we all should share.

"Here's why.

"First, the CFPB's rule is overly broad. It will require lenders to collect massive amounts of data whenever a small business owner applies for credit. Most of the information is unnecessary to make a fair, equitable, safe, and sound loan. Requiring lenders to provide this information infringes on small business owners' right to privacy about their personal and business information when applying for credit.

"Second, the CFPB's Rule is burdensome. Community banks and credit unions across America already account for a majority of small business lending. They are doing their part. Despite claims from my colleagues across the aisle, this rule doesn't go after big banks. It will have the biggest impact on the small community financial institutions already operating under the thinnest of margins because of runaway inflation and increased interest rates from the Federal Reserve.

"The Rule also discourages banks and credit unions from expanding their lending portfolios. They might simply decide the droves of new compliance officers they would have to hire to comply with this onerous Rule would simply not be worth it.

"The CFPB Director says he is trying to be sensitive to the needs of small community financial institutions, oftentimes advocating for "relationship banking." However, in the Rule, the CFPB sets the transaction threshold at an incredibly low 100 loans in the preceding two calendar years. This means the smallest of banks, small businesses, and their owners will be the ones to bear the brunt of the unnecessary data collections.

"Third, the Rule will be difficult to implement. The Rule itself is nearly 900 pages and requires lenders to report 81 data fields. Developing compliance systems to achieve this will be extremely costly for firms, which takes resources away from actually lending to small businesses.

"The timeline for implementation is also insufficient for lenders to develop the necessary systems to comply with such a complex and burdensome regulation. Each hour a lender spends on the overly broad data collection demanded by the rule, is an hour not devoted to ensuring credit is available and affordable for small businesses.

“Finally, it’s unclear what the Bureau intends to do with its exceedingly expansive data demands. What we do know is the CFPB plans to publicly post the data on the CFPB’s website. This is concerning given the Bureau’s alarming record of facilitating the naming and shaming of companies whose business activities progressive activists want to attack.

“Adding to these concerns is the CFPB’s abysmal track record of protecting the highly sensitive data it already collects. In fact, back in February of this year, there was a major unauthorized data breach by a CFPB employee, which included personally identifiable information and confidential supervisory information. So, why should we trust them to protect sensitive information of small business owners this time around?

“To sum it up, this Rule is a backwards-looking, anti-small business, solution in search of a problem.

“It is critical that we pass this Resolution to overturn this reckless CFPB Rule to protect small businesses’ access to the credit needed to continue to innovate and grow our economy.

“I urge my colleagues to support this resolution.”