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Understanding CFPB 1071

The CFPB has issued an amendment to Regulation B to address fair lending concerns related to small business. This introduces a substantial shift in how both banks and nonbanking institutions (collectively, covered financial institutions (FIs)) manage small business lending across the entire life cycle. These newly established requirements will require the collection and reporting of data on those applications



Data Collection

More than 20 specific data points as well as supplemental data elements are required, including but not limited to application unique identifiers, credit data, and demographic details.

Reporting Requirements Expectations

Covered FIs will be required to report and file the collected data elements identified on an annual basis.



Data Governance & Related Requirements

Additional expectations are also in the amendment related to record retention requirements and limiting certain persons access to the data.

At this point all covered FIs should have an understanding of the impacts to operational processes, data, technology, and oversight programs across the three lines of defense (LoD) to ensure compliance within the required timeframe.

Our Approach to Large Scale Regulatory Change

Deloitte has an established and proven agile approach to implementing large scale regulatory changes to support banks and nonbanking institutions to quickly mobilize in a fast-changing environment.

Govern Program	Identify & Assess	Design & Implement	Measure & Monitor
We design and deliver large complex programs enabling focused partnership within the various product owners, service lines, and corporate functions with visibility throughout the program lifecycle	We have the ability to distill multifaceted regulatory requirements in alignment with a proven assessment framework to identify potential deficiencies across operational processes, data, technology, and oversight programs components	Our experience and extensive industry knowledge enables us to quickly develop, document, and implement controls, processes, and related requirements across impacted areas of a credit lifecycle as well as across the three lines of an organization	We are extremely familiar with identifying, and measuring critical data elements to enable regulatory reporting as well as establishing analytical frameworks and associated models to facilitate effective fair lending oversight and testing processes
How we can	Impact & Readiness Assessments	Program/Process Design & Documentation	Report Configuration & Automation
Project Management Support	Data & Technology Assessments	Data Sourcing & Management	Monitoring & Testing Programs
Policies & Governance	Risk & Compliance Program Assessments	Control Design & Development	Model Development & Validation

We have established key accelerators including customizable assessment and project plan templates, mobilized fair lending and small business SMEs, as well as collaborated with key technology alliances across technology and data providers.

Questions? Reach out to our team below!



Tom Nicolosi Advisory Principal, Deloitte & Touche LLP tnicolosi@deloitte.com



Deepak Ramakrishnan Advisory Principal Deloitte & Touche LLP deramakrishnan@deloitte.com



Shaun Nabil Advisory Managing Director Deloitte & Touche LLP snabil@deloitte.com