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## INFORMATIONAL MEMORANDUM



May 18, 2023

To: Chief Executive Officer  
Each Farm Credit System Institution

From: Mike Duffy, Director and Chief Examiner  
Office of Examination

Subject: Final rule on small business lending and interim final rule on LIBOR transition

This informational memorandum discusses regulation updates from the Consumer Financial Protection Bureau (CFPB). We are providing this information as a courtesy to keep you informed of issues that may affect your institution.

### **Final rule on small business lending**

The CFPB issued the small business lending final rule—an amendment to Regulation B—to implement the collection of small business lending data under section 1071 of the Dodd-Frank Act. Although the [final rule \(PDF\)](#) has been issued, it has not yet been published in the Federal Register.

The effective date of the rule will be 90 days after it is published in the Federal Register. If your institution is covered by this rule, you must comply with it beginning October 1, 2024; April 1, 2025; or January 1, 2026. The required compliance date depends on the number of covered credit transactions your institution makes to small businesses.

To help institutions implement the rule, the CFPB released a [filing instructions guide](#) and extensive resources on its webpage for [small business lending collection and reporting requirements](#).

### **Final rule on LIBOR transition**

The CFPB issued an interim final rule related to the LIBOR transition. The rule, which amends Regulation Z, updates the CFPB's 2021 LIBOR transition rule to make it consistent with the Adjustable Interest Rate Act of 2021 (LIBOR Act), enacted in March 2022. (For more information, see our [March 14, 2022, informational memorandum \(PDF\)](#).)

The interim final rule includes these changes to Regulation Z:

- Conforms the terminology used to identify the replacement indices
- Adds an example of a 12-month LIBOR tenor replacement index that meets certain standards in Regulation Z

The interim final rule, which was published in the Federal Register at [88 FR 30598 \(PDF\)](#) on May 11, became effective on May 15. The CFPB must receive comments on or before June 11, 2023.

The CFPB also released a [Fast Facts summary \(PDF\)](#) of the interim final rule and updated its [LIBOR Transition FAQs](#) to reflect the changes.

### **For more information**

You can find the language of all CFPB rules, as well as resources for implementing and complying with its rules, on the [CFPB website](#). Since the CFPB constantly updates this information, you should refer to the website frequently to ensure you have the latest information. To receive updates on rules and compliance resources as they become available, go to the [Compliance resources](#) page and sign up for email updates.

Please note that reviewing this informational memorandum is not a substitute for reviewing the resources provided on the CFPB website. Reviewing the CFPB website should be part of your ongoing due diligence in monitoring issues that may affect your institution.

If you have any questions about this informational memorandum, please contact Jennifer Cohn, Assistant General Counsel, Office of General Counsel, at (720) 213-0440 or [cohnj@fca.gov](mailto:cohnj@fca.gov), or Keta Garcia, Senior Compliance Examiner, Office of Examination, at (469) 359-4124 or [garciak@fca.gov](mailto:garciak@fca.gov).