

Union Calendar No. 540

116TH CONGRESS
2^D SESSION

H. R. 5013

[Report No. 116–656]

To apply the Fair Debt Collection Practices Act to small businesses to the same extent as such Act applies to consumers, to require the Director of the Bureau of Consumer Financial Protection to define “small business” for purposes of such Act, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

NOVEMBER 8, 2019

Mr. LAWSON of Florida introduced the following bill; which was referred to the Committee on Financial Services

DECEMBER 16, 2020

Additional sponsor: Mr. CLEAVER

DECEMBER 16, 2020

Reported with amendments, committed to the Committee of the Whole House on the State of the Union, and ordered to be printed

[Strike out all after the enacting clause and insert the part printed in italic]

[For text of introduced bill, see copy of bill as introduced on November 8, 2019]

A BILL

To apply the Fair Debt Collection Practices Act to small businesses to the same extent as such Act applies to consumers, to require the Director of the Bureau of Consumer Financial Protection to define “small business” for purposes of such Act, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 *This Act may be cited as the “Small Business Fair*
5 *Debt Collection Protection Act”.*

6 **SEC. 2. FAIR DEBT COLLECTION PRACTICES FOR LOANS TO**
7 **SMALL BUSINESSES.**

8 *(a) IN GENERAL.—The Fair Debt Collection Practices*
9 *Act (15 U.S.C. 1692 et seq.) is amended—*

10 *(1) in section 803—*

11 *(A) by amending paragraph (5) to read as*
12 *follows:*

13 *“(5) The term ‘debt’ means any obligation or al-*
14 *leged obligation to pay money arising out of a trans-*
15 *action, whether or not such obligation has been re-*
16 *duced to judgment.”; and*

17 *(B) by adding at the end the following new*
18 *paragraph:*

19 *“(9) The term ‘commercial credit bureau’ means*
20 *any person which, for monetary fees, dues, or on a co-*
21 *operative nonprofit basis, regularly engages in whole*
22 *or in part in the practice of assembling or evaluating*
23 *commercial credit information or other information*
24 *on businesses for the purpose of furnishing credit re-*
25 *ports to third parties, and which uses any means or*

1 *facility of interstate commerce for the purpose of pre-*
 2 *paring or furnishing credit reports.”;*

3 *(2) by redesignating section 819 as section 820;*
 4 *and*

5 *(3) by inserting after section 818 the following:*

6 **“§ 819. Application to small business debt**

7 *“(a) IN GENERAL.—This Act shall apply to small*
 8 *business debt to the same extent as this Act applies to debt*
 9 *of consumers.*

10 *“(b) SMALL BUSINESS DEBT DEFINED.—The term*
 11 *‘small business debt’—*

12 *“(1) means any non-equity obligation or alleged*
 13 *obligation of a partnership, corporation, trust, estate,*
 14 *cooperative, association, government or governmental*
 15 *subdivision or agency, or other entity that is less than*
 16 *\$5,000,000; and*

17 *“(2) does not include any obligation or alleged*
 18 *obligation—*

19 *“(A) of an individual; or*

20 *“(B) that is primarily for personal, family,*
 21 *or household purposes.”.*

22 *(b) CLERICAL AMENDMENT.—The table of contents for*
 23 *the Fair Debt Collection Practices Act is amended by strik-*
 24 *ing the item relating to section 819 and inserting the fol-*
 25 *lowing:*

“819. *Application to small business debt.*

“820. *Effective date.*”.

1 (c) *CONFORMING AMENDMENTS.—The Fair Debt Col-*
2 *lection Practices Act (15 U.S.C. 1692 et seq.) is amended—*

3 (1) *in section 805(b), by inserting “or a commer-*
4 *cial credit bureau (as applicable)” after “consumer*
5 *reporting agency”;*

6 (2) *in section 806(3)—*

7 (A) *by striking “consumers who” and in-*
8 *serting “consumers or small businesses that”;*
9 *and*

10 (B) *by inserting “or to a commercial credit*
11 *bureau (as applicable),” after “consumer report-*
12 *ing agency”; and*

13 (3) *in section 807(16), by inserting “or a com-*
14 *mercial credit bureau” after “this Act”.*

Amend the title so as to read: “A bill to apply the Fair Debt Collection Practices Act to small business debt to the same extent as such Act applies to consumers, and for other purposes.”.

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