



FOR IMMEDIATE RELEASE
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**Community Development Bankers Association Comments on Federal Court Ruling on
Section 1071 Final Rule**

Washington, D.C. – The Community Development Bankers Association (CDBA), representing the nation's leading mission-focused banks, acknowledges the recent federal court ruling that denied the request for summary judgment in the lawsuit challenging the Consumer Financial Protection Bureau's (CFPB) final rule implementing Section 1071 of the Dodd-Frank Act.

Jeannine Jacokes, CEO of CDBA, stated, "CDBA strongly supports efforts to ensure all small businesses are fairly and well served. We welcome the court's ruling to the extent it moves us closer to regulatory certainty and advances the critical goal of preventing discrimination in business lending."

The ruling, issued by Judge Randy Crane, determined that the CFPB did not exceed its authority nor violate the Administrative Procedure Act (APA) in developing the small business data collection rule. While the court did not comment on the policy wisdom of the final rule, the decision underscores the importance of following a comprehensive administrative process in rulemaking.

"CDFI and MDI banks, which our association proudly represents, have a deep understanding of the needs of underserved and disinvested communities," Jacokes continued. "The small business owners served by mission-focused banks are often from minority groups that have historically faced discrimination, predatory practices, and limited economic opportunities. Our members are prepared to demonstrate their strong track records in promoting entrepreneurship and providing vital financial services to these communities."

While CDBA shares concerns about certain aspects of the rule, particularly the collection of "discretionary" data not mandated by the statute, the association recognizes the need for a balanced approach that protects small businesses without imposing unnecessary burdens on financial institutions.

"We look forward to the continuation of the legal process and will continue to advocate for a fair and effective regulatory framework that supports the growth and success of small businesses across the country," Jacokes concluded.

For more information, please contact:

Johnny Kunza
Director of Communications
Community Development Bankers Association
1201 15th NW, Suite 200
Washington, D.C. 20005
Phone: 202-689-8935 ext. 243
Email: kunzaj@pcgloanfund.org

About the Community Development Bankers Association (CDBA):

For over two decades, the Community Development Bankers Association has led the community development banking movement, advocating for economic opportunity and financial inclusion in the nation's most economically distressed areas. The CDBA and its member banks are unwavering in their commitment to making banking a force for good. For more information on the CDBA's mission and initiatives, please visit www.cdbanks.org.