

116TH CONGRESS
1ST SESSION

S. 2884

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.

IN THE SENATE OF THE UNITED STATES

NOVEMBER 18, 2019

Mr. WYDEN introduced the following bill; which was read twice and referred to the Committee on Banking, Housing, and Urban Affairs

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.

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 Prac-
9 tices Act (15 U.S.C. 1692 et seq.) is amended—

10 (1) in section 803 (15 U.S.C. 1692a)—

1 (A) by striking (5) and inserting the fol-
 2 lowing:

3 “(5) The term ‘debt’ means any obligation or
 4 alleged obligation to pay money arising out of a
 5 transaction, whether or not such obligation has been
 6 reduced to judgment.”; and

7 (B) by adding at the end the following:

8 “(9) The term ‘commercial credit bureau’
 9 means any person that—

10 “(A) for monetary fees, dues, or on a coop-
 11 erative nonprofit basis, regularly engages in
 12 whole or in part in the practice of assembling
 13 or evaluating commercial credit information or
 14 other information on businesses for the purpose
 15 of furnishing consumer reports to third parties;
 16 and

17 “(B) uses any means or facility of inter-
 18 state commerce for the purpose of preparing or
 19 furnishing consumer reports.

20 “(10) The term ‘consumer reports’ has the
 21 meaning given the term in section 603 of this Act.”;
 22 and

23 (2) by inserting after section 818 the following:

24 **“§ 818A. Application to small business debt**

25 “(a) DEFINITION.—The term ‘small business debt’—

1 “(1) means any nonequity obligation or alleged
2 obligation of a partnership, corporation, trust, es-
3 tate, cooperative, association, government or govern-
4 mental subdivision or agency, or other entity that is
5 less than \$5,000,000; and

6 “(2) does not include any obligation or alleged
7 obligation—

8 “(A) of an individual; or

9 “(B) that is primarily for personal, family,
10 or household purposes.

11 “(b) APPLICATION.—This Act shall apply to small
12 business debt to the same extent as this Act applies to
13 debt.”.

14 (b) CLERICAL AMENDMENT.—The table of contents
15 for the Fair Debt Collection Practices Act is amended by
16 inserting after the item relating to section 818 the fol-
17 lowing:

 “818A. Application to small business debt.”.

18 (c) CONFORMING AMENDMENTS.—The Fair Debt
19 Collection Practices Act (15 U.S.C. 1692 et seq.) is
20 amended—

21 (1) in section 805(b), by inserting “or a com-
22 mercial credit bureau (as applicable)” after “con-
23 sumer reporting agency”;

24 (2) in section 806(3)—

1 (A) by striking “consumers who” and in-
2 serting “consumers or small businesses that”;
3 and

4 (B) by inserting “ or to a commercial cred-
5 it bureau (as applicable),” after “consumer re-
6 porting agency”; and

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

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