



CONSUMER FINANCIAL PROTECTION BUREAU

12 CFR Part 1090

[Docket No. CFPB-2025-0031]

RIN 3170-AB52

Defining Larger Participants of the Consumer Reporting Market

AGENCY: Consumer Financial Protection Bureau.

ACTION: Advance notice of proposed rulemaking.

SUMMARY: The Consumer Financial Protection Bureau (CFPB or Bureau) is seeking information to assist it in considering whether to propose a rule to amend the test to define larger participants in the consumer reporting market established by the Bureau's Defining Larger Participants of the Consumer Reporting Market Final Rule published on July 20, 2012 (Consumer Reporting Larger Participant Rule).

DATES: Comments must be received on or before [INSERT DATE 45 DAYS AFTER DATE OF PUBLICATION IN THE *FEDERAL REGISTER*].

ADDRESSES: You may submit responsive information and other comments, identified by Docket No. CFPB-2025-0031, by any of the following methods:

- *Federal eRulemaking Portal:* <https://www.regulations.gov>. Follow the instructions for submitting comments.
- *Email:* 2025-ANPR-CreditReporting@cfpb.gov. Include Docket No. CFPB-2025-0031 in the subject line of the message.
- *Mail/Hand Delivery/Courier:* Comment Intake—Defining Larger Participants of the Consumer Reporting Market 2025, c/o Legal Division Docket Manager, Consumer Financial Protection Bureau, 1700 G Street NW, Washington, DC 20552.

Instructions: The CFPB encourages the early submission of comments. All submissions should include the agency name and docket number. Additionally, where the Bureau has asked

for specific comment on a topic, commenters should seek to highlight the topic to which their comment is applicable. Because paper mail is subject to delay, commenters are encouraged to submit comments electronically. In general, all comments received will be posted without change to <https://www.regulations.gov>. All submissions, including attachments and other supporting materials, will become part of the public record and subject to public disclosure. Proprietary information or sensitive personal information, such as account numbers or Social Security numbers, or names of other individuals, should not be included. Submissions will not be edited to remove any identifying or contact information.

FOR FURTHER INFORMATION CONTACT: Dave Gettler, Paralegal Specialist, Office of Regulations, at 202-435-7700. If you require this document in an alternative electronic format, please contact CFPB_Accessibility@cfpb.gov.

SUPPLEMENTARY INFORMATION: The Bureau is seeking information in order to consider whether to propose a rule to amend the test to define larger participants in the consumer reporting market. Currently, a nonbank covered person is a larger participant of the consumer reporting market if the nonbank covered person has more than \$7 million in annual receipts resulting from relevant consumer reporting activities. The Bureau is concerned that the benefits of the current threshold may not justify the compliance burdens for many of the entities that are currently considered larger participants in this market, and that the current threshold may be diverting limited Bureau resources to determine whom among the universe of providers may be subject to the Bureau's supervisory authority and whether these providers should be examined in a particular year.

I. Background

Section 1024 of the CFPA,¹ codified at 12 U.S.C. 5514, gives the Bureau supervisory authority over all nonbank covered persons² offering or providing three enumerated types of consumer financial products or services: (1) origination, brokerage, or servicing of consumer loans secured by real estate and related mortgage loan modification or foreclosure relief services; (2) private education loans; and (3) payday loans.³ The Bureau also has supervisory authority over “larger participant[s] of a market for other consumer financial products or services, as defined by rule[s]” the CFPB issues.⁴ To date, the Bureau has issued six rules defining larger participants of markets for consumer financial products and services for purposes of CFPA section 1024(a)(1)(B).⁵

The Bureau published the Consumer Reporting Larger Participant Rule on July 20, 2012.⁶ The final rule defined a consumer reporting market that covers consumer reporting agencies selling comprehensive consumer reports, consumer report resellers, and specialty consumer reporting agencies. It established that nonbank covered persons with more than \$7

¹ Consumer Financial Protection Act of 2010, title X of the Dodd-Frank Wall Street Reform and Consumer Protection Act, Pub. L. 111-203, 124 Stat. 1376, 1955 (2010) (hereinafter CFPA).

² The provisions of 12 U.S.C. 5514 apply to certain categories of covered persons, described in section (a)(1), and expressly exclude from coverage persons described in 12 U.S.C. 5515(a) (very large insured depository institutions and credit unions and their affiliates) and 12 U.S.C. 5516(a) (other insured depository institutions and credit unions). The term “covered person” means “(A) any person that engages in offering or providing a consumer financial product or service; and (B) any affiliate of a person described [in (A)] if such affiliate acts as a service provider to such person.” 12 U.S.C. 5481(6).

³ 12 U.S.C. 5514(a)(1)(A), (D), (E).

⁴ 12 U.S.C. 5514(a)(1)(B), (a)(2); *see also* 12 U.S.C. 5481(5) (defining “consumer financial product or service”).

⁵ These six rules defined larger participants of markets for consumer reporting, 77 FR 42874 (July 20, 2012) (Consumer Reporting Rule); consumer debt collection, 77 FR 65775 (Oct. 31, 2012) (Consumer Debt Collection Rule); student loan servicing, 78 FR 73383 (Dec. 6, 2013) (Student Loan Servicing Rule); international money transfers, 79 FR 56631 (Sept. 23, 2014) (International Money Transfer Rule); automobile financing, 80 FR 37496 (June 30, 2015) (Automobile Financing Rule); and general-use digital consumer payment applications, 89 FR 99582 (Dec. 10, 2024) (General-Use Digital Payment Applications Rule). The Bureau is issuing advance notices of proposed rulemakings to reconsider the test for defining larger participants in the consumer reporting, consumer debt collection, international money transfer, and automobile financing markets. The Bureau will continue to assess whether it is appropriate to reconsider the test for the student loan servicing market. The General-Use Digital Payment Applications Rule was made ineffective by a joint resolution of disapproval by Congress under the Congressional Review Act. S.J.Res.28 — 119th Congress (2025-2026), Pub. L. 119-11; *see also* 5 U.S.C. 801 *et seq.*

⁶ 77 FR 42874.

million in annual receipts resulting from relevant consumer reporting activities would be considered larger participants in this market.⁷

The consumer reporting market includes consumer reporting agencies selling consumer reports, consumer report resellers, analyzers of consumer reports and other account information (analyzers), and specialty consumer reporting agencies (collectively referred to as consumer reporting entities). As a general matter, some consumer reporting agencies collect, among other information, information about credit accounts, items sent for collection, and public records such as judgments and bankruptcies. Resellers purchase consumer information from one or more of the agencies that collect information, typically provide further input to the consumer report (including by merging files from multiple agencies or adding information from other data sources), and then resell the report to lenders and other users. Analyzers apply statistical and other methods to consumer reports and other account information to facilitate the interpretation of such information and its use in decisions regarding other products and services. Certain analyzers develop and sell credit scoring services and products. Specialty consumer reporting agencies primarily collect and provide specific types of information that may be used to make decisions regarding particular consumer financial products or services, such as payday loans or checking accounts, or for other determinations, such as eligibility for employment or rental housing. However, some of these specialty consumer reporting agencies, depending on their activities, may not be engaged in offering or providing consumer financial products or services within the meaning of the CFPA, and therefore would not, on the basis of their activities, become “covered persons” subject to the Bureau’s supervisory authority.⁸ The Bureau implemented these exclusions in the definition of “consumer reporting” in the final rule.

⁷ 12 CFR 1090.104(b).

⁸ See 12 U.S.C. 5481(15)(A)(ix). Under the final rule, “consumer reporting” does not include the activities of a person to the extent that a person provides consumer report or other account information that is used or expected to be used solely regarding a decision for employment, government licensing, or a residential lease or tenancy involving a consumer, or to be used solely in any decision regarding the offering or provision of a product or service that is not a consumer financial product or service.

The final rule established a test, based on “annual receipts,” to assess whether a nonbank covered person that offers or provides consumer reporting is a larger participant of the consumer reporting market. The definition of “annual receipts” was adapted from the definition of the term used by the Small Business Administration (SBA) for purposes of defining small business concerns. The final rule adopted the proposed test for qualifying as a larger participant of the consumer reporting market: more than \$7 million in annual receipts resulting from relevant consumer reporting activities. Covered persons meeting the test qualify as larger participants and are subject to the Bureau’s supervision authority under 12 U.S.C. 5514. The test to assess larger-participant status set forth in the final rule was tailored to the consumer reporting market identified by the rule.

When the Consumer Reporting Larger Participant Rule was issued in 2012, the CFPB analyzed Economic Census data. Since then, the U.S. Census Bureau in cooperation with the Small Business Administration Office of Advocacy has developed an additional potentially relevant data source called Statistics of U.S. Businesses (SUSB) described in more detail at <https://www.census.gov/programs-surveys/susb/about.html>. Below, this notice describes data from both sources and solicits public input on the data and sources, including analysis by commenters of the significance of any differences in the data and sources.

The 2022 Economic Census data displayed below shows the latest information about the number of firms in NAICS code 561450 (Credit Bureaus) for different revenue bins. The 2022 Economic Census data indicates that the 10 firms with revenue of \$100 million or more accounted for about 70 percent of the total revenue of all credit bureaus in this NAICS code. By contrast, the firms with less than \$41 million in revenues accounted for about 15 percent of the total revenue of all credit bureaus in this NAICS code.⁹

⁹ Likely, not all the firms in this NAICS code offer or provide consumer reporting as defined in the Consumer Reporting Larger Participant Rule. However, previous Bureau work suggests that approximately 75 percent of the firms in NAICS code 561450 offer or provide consumer reporting as defined in the Consumer Reporting Larger Participant Rule. *See* Consumer Reporting Larger Participant Rule, 77 FR at 42888 n.72.

No. firms	Revenue bins (entities operating over the course of all of 2022)
22	Revenue less than \$100,000
34	Revenue of \$100,000 to \$249,999
22	Revenue of \$250,000 to \$499,999
37	Revenue of \$500,000 to \$999,999
42	Revenue of \$1,000,000 to \$2,499,999
24	Revenue of \$2,500,000 to \$4,999,999
18	Revenue of \$5,000,000 to \$9,999,999
20	Revenue of \$10,000,000 to \$24,999,999
17	Revenue of \$25,000,000 to \$99,999,999
10	Revenue of \$100,000,000 or more

Meanwhile, the 2022 SUSB data displayed below shows the latest information about the number of firms in NAICS code 561450 (Credit Bureaus) for different revenue bins.¹⁰ The 2022 SUSB data indicates that the 23 firms with reported revenue of \$100 million or more accounted for about 95 percent of the total revenue of all credit bureaus in this NAICS code. By contrast, the firms with less than \$41 million in reported revenues accounted for less than 5 percent of the total revenue of all credit bureaus in this NACIS code.

No. firms	Revenue bins (entities operating over the course of all of 2022)
37	Revenue less than \$100,000
73	Revenue of \$100,000 to \$499,999
34	Revenue of \$500,000 to \$999,999
34	Revenue of \$1,000,000 to \$2,499,999
22	Revenue of \$2,500,000 to \$4,999,999
13	Revenue of \$5,000,000 to \$7,499,999
7	Revenue of \$7,500,000 to \$9,999,999
8	Revenue of \$10,000,000 to \$14,999,999
7	Revenue of \$15,000,000 to \$19,999,999
	Revenue of \$20,000,000 to \$24,999,999
3	Revenue of \$25,000,000 to \$29,999,999
	Revenue of \$30,000,000 to \$49,999,999
3	Revenue of \$50,000,000 to \$74,999,999
	Revenue of \$75,000,000 to \$99,999,999
23	Revenue of \$100,000,000 or more

¹⁰ Specific firm counts might not be reported in the SUSB published tables due to confidentiality reasons. This occurs when reporting a small number of firms within a size class might allow identification of individual firms.

When the Consumer Reporting Larger Participant Rule was issued in 2012, the SBA small-business threshold for NAICS code 561450 was \$7 million in annual revenues. Today, the corresponding threshold is \$41 million in annual revenues. Although there is some variation between the Economic Census and SUSB data, according to the tables above there are about 250 total entities, of which fewer than 30 are above the current SBA threshold of \$41 million in annual revenues for small businesses in NAICS code 561450.¹¹ There are about 30 firms as of 2022 (representing slightly more than 10 percent of the total number of small entities in the NAICS code) with an annual revenue that falls between the threshold of \$7 million in annual receipts set by the Consumer Reporting Larger Participant Rule and the threshold of \$41 million in annual revenues set by the SBA as the size standard for small businesses in NAICS code 561450. This figure may estimate the number of small entities that are directly affected by the Consumer Reporting Larger Participant Rule.¹² However, the number of small entities affected by the Consumer Reporting Larger Participant Rule is likely less than 30 because the companies' annual revenues likely exceed their annual receipts from relevant consumer reporting activities.

Based on its risk-based prioritization process, the Bureau's examinations of entities under the Consumer Reporting Larger Participant Rule have, with very limited exceptions, focused on entities with annual receipts that significantly exceed the \$7 million threshold as well as the SBA's \$41 million annual revenue threshold. More specifically, the vast majority of companies the Bureau has examined pursuant to the Consumer Reporting Larger Participant Rule have had annual receipts exceeding \$50 million. Based on the Bureau's supervisory experience, the

¹¹ Small Business Administration, *Table of Small Business Size Standards Matched to North American Industry Classification System Codes*, https://www.sba.gov/sites/default/files/2023-06/Table%20of%20Size%20Standards_Effective%20March%2017%2C%202023%20%282%29.pdf.

¹² See <https://data.census.gov/table?q=EC2200SIZEREVEST&y=2022&codeset=naics~N0600.00:N0600.56> (accessed 5/20/25).

Bureau estimates that increasing the annual receipts threshold to match the SBA annual revenue threshold of \$41 million would leave at least six larger participants in the market.¹³

II. Executive Order 12866

The Office of Information and Regulatory Affairs within the Office of Management and Budget (OMB) has determined that this action is a “significant regulatory action” under Executive Order 12866, as amended. Accordingly, OMB has reviewed this action.

III. Questions

As discussed above, the Bureau is concerned that the benefits of supervisory authority over nonbank covered persons with more than \$7 million in annual receipts resulting from relevant consumer reporting activities may not justify the costs of increased compliance burdens for many entities that are considered larger participants under the current test.¹⁴ The Bureau is particularly concerned that smaller businesses that now qualify as larger participants may be disproportionately impacted by the current threshold.¹⁵ The Bureau is also concerned that the pool of entities subject to supervision may be too broad and is potentially diverting limited Bureau resources to determine who is a larger participant and whether those entities should be examined in a particular year. Finally, the Bureau notes that it has not evaluated whether changes in the consumer reporting market call for updating the test to define larger participants since it published the Consumer Reporting Larger Participant Rule over twelve years ago. As the Bureau noted in that rule, it always “expect[ed] to make adjustments to the threshold through future rulemakings to reflect not only inflation, but also other shifts in the nature and structure of the

¹³ This estimate of market participants is preliminary and based on limited data. This estimate may change in any future rulemaking.

¹⁴ For a discussion of compliance burdens, see generally section IV.B of the Consumer Reporting Larger Participant Rule (describing costs of increased compliance, costs of supervisory activity, and costs of assessing larger participant status). 77 FR 42874, 42892-95.

¹⁵ For example, as indicated above, 2022 Economic Census Data reports approximately 33 credit bureaus serving consumers and businesses as having revenue between \$7 million (the current annual receipts threshold) and \$41 million (the SBA size standard). However, as also explained above, the number of credit bureaus that qualify as larger participants under the Consumer Reporting Larger Participant Rule is likely less than 33 because of the distinction between annual receipts resulting from consumer reporting activities and annual revenue.

consumer reporting market and additional data as it becomes available to the Bureau.”¹⁶ The Bureau therefore seeks comment on the topics and questions listed below in light of the Bureau’s intent to consider proposing to amend the test to define larger participants in the consumer reporting market.

1. Is \$7 million in annual receipts resulting from relevant consumer reporting activities an appropriate threshold for determining which entities should be considered larger participants in the consumer reporting market? If not, what annual receipts threshold or other criterion (e.g., number of consumers or consumer files) and associated threshold would be more appropriate and why?
2. How would consumers be impacted by a potential increase in the threshold? Submissions of data related to the benefits or costs to consumers of the current rule and any particular change to the threshold are encouraged.
3. How would changing the current threshold for larger participants alter the behavior of participants in the consumer reporting market? How would these changes benefit or harm consumers and participants? Would those changes in behavior have impacts beyond this specific market?
4. How would changing the current threshold for larger participants affect the Bureau’s ability to address potential market failures in the consumer reporting market and related areas?
5. What are the costs to covered entities that are specific to the Bureau’s supervisory authority for larger participants in the consumer reporting market? Specific figures as to staffing, staff time, and other resources are encouraged. How often are these costs incurred for larger participants under the current rule who are close to the current threshold for being larger participants?

¹⁶ Consumer Reporting Larger Participant Rule, 77 FR 42874 at 42891.

6. What are the costs to covered persons from being a larger participant that are not specific to the Bureau's supervisory authority, but are specific to being a larger participant in the consumer reporting market? For instance, are there costs to consumer reporting firms of monitoring larger participant status, or costs related to complying with relevant Federal statutes and regulations beyond what the firm would find reasonable absent the possibility of supervision?
7. Are there costs to covered persons from the current larger participant rule that specifically apply to firms whose annual receipts are lower than, but close to the threshold?
8. Are there costs or benefits to consumers, including rural consumers, servicemembers, and veterans, of raising the larger participant threshold?
9. Do small business concerns, as defined by the SBA, or other smaller- or mid-size entities qualify as larger participants under the current threshold in this market? Do these entities incur costs of compliance with their larger participant status that are not in proportion to their size relative to other larger participants in the consumer reporting market?
10. Should the Bureau's test for defining larger participants in the consumer reporting market account for the SBA's size standards? If so, how?
11. Are there significant recordkeeping requirements that would be reduced by raising the larger participant threshold?
12. What other specific costs or benefits, not mentioned above, would a change in the larger participant threshold have for consumers and covered persons?
13. Should the Bureau rely upon Economic Census data, SUSB data, or other sources of data to inform estimates of the current size of the firms in the consumer reporting market and the number of firms that may qualify as larger participants? What additional sources of data, if any, can reliably inform such estimates?

Russell Vought,

Acting Director, Consumer Financial Protection Bureau.

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