

Introduction to the RBLC & Commercial Financing Disclosure Legislation

Partnership for Financial Equity -
Small Business Lending Committee

February 16, 2023

PARTNERSHIP
for FINANCIAL
E Q U I T Y



RESPONSIBLE BUSINESS
LENDING COALITION



Small Business Borrowers Bill of Rights (BBoR)

RBLC created and released the BBoR in 2015. The most recent update was released in 2021.

- 1. The Right to Transparent Pricing and Terms**
2. The Right to Non-Abusive Products
3. The Right to Responsible Underwriting
4. The Right to Fair Treatment from Brokers
5. The Right to Inclusive Credit Access
6. The Right to Fair Collection Practices



Small Business Borrowers Bill of Rights (BBoR)

Signatories: These lenders, brokers, and marketplaces have taken a stand for small businesses by attesting that they abide by the BBoR. **If you follow these responsible business lending practices, please sign and complete this form.**

1. Accion Opportunity Fund
2. Allies for Community Business
3. Accessity
4. Access Plus Capital
5. Accompany Capital
6. Acelera Financial
7. Adelante Fund - Mission Economic Development Agency
8. AmPac Tri-State CDC
9. Anchor Capitol For A Common Goal
10. Business and Community Leaders of Texas
11. Bell Funding Solutions
12. Bluevine
13. Camino Financial
14. CDC Small Business Finance
15. Coastal Enterprises Inc.
16. Chicago Neighborhood Initiatives
17. Cityfirst Enterprises
18. Common Capital
19. Community Capital New York
20. Community Enterprise Development Services
21. Community Loan Fund of the Capital Region
22. Community Reinvestment Fund, Inc
23. Credibility Capital
24. DreamSpring
25. Economic and Community Development Institute
26. EnrichHer
27. FinVoice

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- | | |
|---|---|
| 28. Funding Circle | 45. Mountain Biz Works |
| 29. Funding Societies | 46. Multifunding |
| 30. Growth Capital Corporation | 47. Nav |
| 31. Halo Business Finance | 48. Next-Financing |
| 32. Hatch | 49. Opening Doors Inc. |
| 33. Inclusive Action for the City | 50. Pacific Community Ventures |
| 34. ICA.fund | 51. Quote 2 Fund |
| 35. KAPED, Inc. | 52. Small Business Development Corporation of Orange County |
| 36. Kiva US | 53. Staunton Creative Community Fund |
| 37. Justine Petersen | 54. Thread Capital |
| 38. Latino Economic Development Center | 55. TMC Community Capital |
| 39. LendingClub | 56. Washington Area Community Investment Fund |
| 40. Lendistry | 57. Women's Economic Ventures |
| 41. Lighter Capital | 58. Wisconsin Women's Business Initiative Corporation |
| 42. Micro Enterprise Services of Oregon | 59. Working Solutions |
| 43. Mission Driven Finance | |
| 44. Money Matchmaker Co Capital | |



Small Business Borrowers Bill of Rights (BBoR)

Endorsers: These lenders, brokers, and marketplaces have taken a stand for small businesses by attesting that they abide by the Small Businesses Borrowers' Bill of Rights. **If you follow these responsible business lending practices, please sign and complete this form.**

1. Akouba Credit
2. Alliance Partners
3. Amiba American Independent Business Alliance
4. Asian Pacific Islander Small Business Program
5. The Aspen Institute
6. Altas Project Support
7. California Association for Micro Enterprise Opportunity
8. Calvert Foundation
9. Chicago Lawyer's Committee for Civil Rights
10. Coalition for Nonprofit Housing & Economic Development
11. Community Investment Management LLC
12. Credit Builders Alliance
13. Empire Justice Center
14. Fit Small Business
15. FunderIntel
16. The Greenlining Institute
17. Human Scale Business, a Benefit Corporation
18. Jefferson Economic Development Institute (JEDI)
19. Lending Front
20. Little Tokyo Service Center
21. Larry R. Williams Firm
22. Law Offices of William D. Black
23. The Main Street Alliance
24. Microenterprise Collaborative of Inland Southern California
25. Minority and Women Contractors and Developers Association
26. National Association of Latino Asset Builders

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| 27. National Coalition of Asian Pacific Americans
Community Development | 41. Susquehanna Growth Equity |
| 28. National League of Cities | 42. Silver Lining |
| 29. National Urban League | 43. Small Business California |
| 30. Nerd Wallet | 44. Small Business Finance Institute |
| 31. Next Street | 45. Small Business Majority |
| 32. New York State CDFI Coalition | 46. SMB Intelligence |
| 33. Opportunity Finance Network | 47. Sonn Law Group |
| 34. Pier Asset Management | 48. Sutliff and Stout Injury and Accident Law Firm |
| 35. Platte River Injury Law | 49. United States Hispanic Chamber of Commerce |
| 36. Prosperity Now | 50. UpState New York Black Chamber of Commerce |
| 37. Prolendly | 51. Venturize |
| 38. Right to Start | 52. Woodstock Institute |
| 39. SAC Black Biz | 53. Workplace Rights Law Group |
| 40. Security Financial Services | |

Small Business Borrowers Bill of Rights (BBoR)

BBoR Right #1: The Right to Transparent Pricing and Terms

- Annual percentage rate (APR) or estimated APR;
- Loan amount, and total amount provided after deducting fees or charges;
- Payment amount and frequency, including the actual or estimated total payment amount per month if payment frequency is other than monthly;
- Term or estimated term;
- All upfront and scheduled charges;
- Collateral requirements and
- Any prepayment charges

California passes historic truth in small-business lending law — Congress should take note

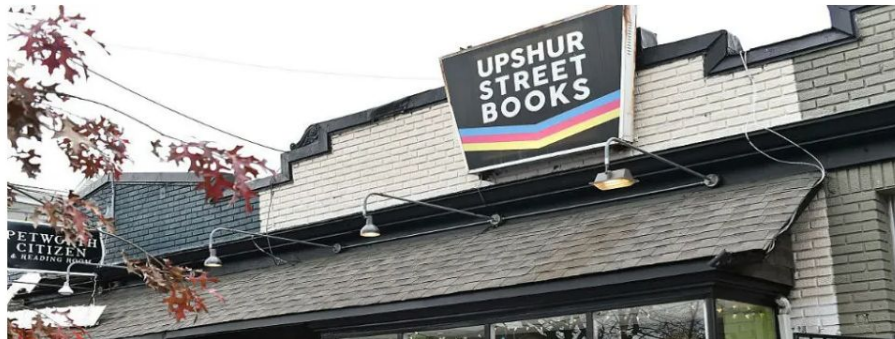
BY CAROLINA MARTINEZ AND HEIDI PICKMAN, OPINION CONTRIBUTOR - 10/05/18 9:35 AM ET



SHARE



TWEET



- Sept 2018: Governor Brown signed SB 1235 into law
- July 2019: First draft rule released
- June 2022: Final rule released
- Dec 2022: Final rule took effect



The Legislative Campaign in NY

Colleen Ryan

Consulting Executive Director, NYS CDFI Coalition



New York State's Small Business Truth in Lending Act represents the nation's strongest commercial lending disclosure requirements, just as small businesses need protection the most.



Responsible Business Lending Coalition

The Legislative Campaign in NY

The New York Times

Help Black Small Businesses Recover

To the Editor:

When the National Community Reinvestment Coalition sent “mystery shoppers” to banks in the Washington area, they found [that Black business owners had a harder time getting Paycheck Protection Program loans](#) than their white counterparts.

The UpState New York Black Chamber of Commerce was not surprised. We know

ROCHESTER BUSINESS JOURNAL

Rochester small businesses deserve truth in lending

By: Special to the RBJ Hubert VanTol October 9, 2020



VanTol

Here in Rochester, small businesses are doing all they can to stay afloat during the pandemic, changing their product offerings and taking out loans. Unfortunately, many small businesses are still in the dark on the true cost of predatory lending.

The federal Truth in Lending Act (TILA) requires standardized disclosures for consumer lending, including the annual percentage rate (APR) and repayment, but it doesn't apply to financing for business purposes. The NYS Small Business Lending Act, passed in July, would bring common-sense transparency to business financing at a time when it's needed most.

Community Development Financial Institutions (CDFIs) like Pathstone Enterprise Center Inc. can often help businesses get out from under crushing debt. But sometimes, even refinancing doesn't get them off the hook for paying the interest fees for the full term of the loan.

CONTRIBUTING WRITERS

Westchester small businesses deserve truth in lending

BY KIM JACOBS

Imagine you launched a branding and marketing company in 2019. Everything is going great – until a global pandemic breaks out. You need some help with your cash flow and turn to an online lender. What could go wrong?

The New York Small Business Truth in Lending Act was endorsed by a wide range of lenders and small-business advocates, including the New York State CDFI Coalition, all members of the state Senate's Westchester County delegation and co-sponsored by Assemblywoman Sandy Galef. It's a crucial next step in protecting businesses

Kingstonwire

Opinion: Minority-owned businesses need financial clarity now

Opinion By Anthony Gaddy



Upstate New York Black Chamber of Commerce President Anthony Gaddy, left, seen here with Seasoned Delicious Foods co-owners Tamika and Martin Dunkley. Amberly Jane Campbell

When it comes to the survival of our struggling small-business community, access to capital is key. Business owners need continuous...



Responsible Business Lending Coalition

The Legislative Campaign in NJ

Beverly Brown Ruggia

Financial Justice Organizer, NJ Citizens Action



SENATE, No. 233* STATE OF NEW JERSEY 219th LEGISLATURE

PRE-FILED FOR INTRODUCTION IN THE 2020 SESSION

Sponsored by:

Senator TROY SINGLETON

District 7 (Burlington)

Senator NELLIE POU

District 35 (Bergen and Passaic)

SYNOPSIS

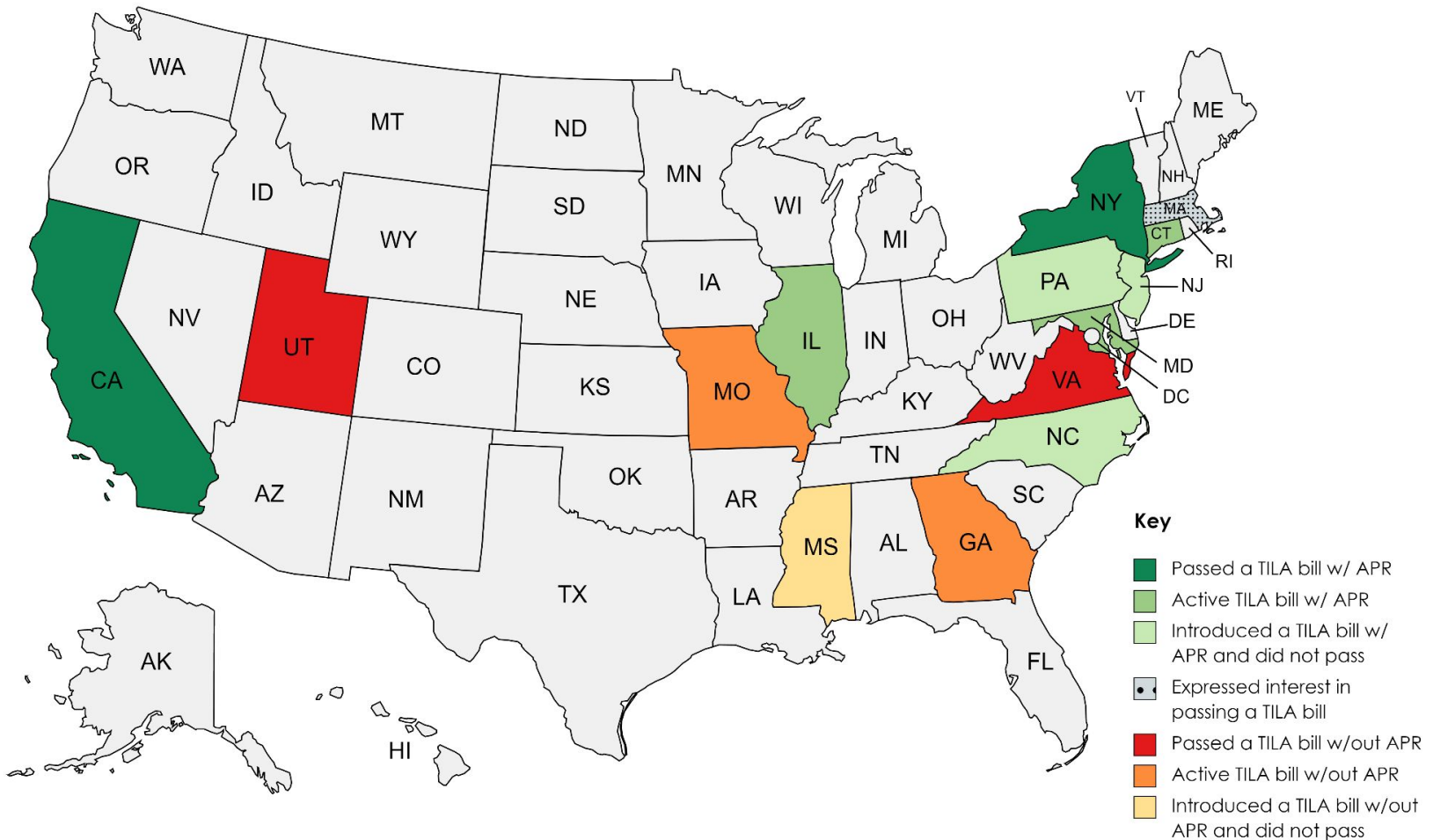
Requires certain disclosures by providers of small business financing.

*Introduced in previous legislative session



Responsible Business Lending Coalition

Current State of Play in States



Q&A

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Thank you!