

1071 + CRA QUOTE BANK

Marla Bilonick, NALCAB President & CEO:

“Without implementing Section 1071, our nation’s policies fail to promote equity in lending and fully include women, minorities, and small business owners in our economy. Our goal was always to ensure that the Consumer Financial Protection Bureau (CFPB) complies with this court order and collect data on small business lending to ensure that the marketplace is more efficient and fair.” “We are saddened to see efforts in Congress to rescind this rule and further make discrimination hard to prove and limit access to capital to communities who desperately need the help. At a time when our economy is in transition, we must ensure that we strengthen fair lending practices - not weaken them. NALCAB has been on the front lines of the fight to see this law fully implemented and will continue to work to ensure equity and fairness in access to opportunity in our financial marketplace.”

Horacio Mendez, President & CEO, Woodstock Institute:

“Our small business lending landscape today does not treat borrowers fairly. We know this from the lived experiences of entrepreneurs of color as well as from research studies and data analysis – but so far, researchers have been hampered by a lack of data in this field. The rich data provided under Section 1071 will allow researchers to do comprehensive analyses, empower advocates to hold small business lenders accountable, and enable lenders to identify gaps and opportunities to better serve their borrowers. The Home Mortgage Disclosure Act (HMDA) did this for the mortgage market – we need the same clarity on the small business loan market.”

Susan McGrath, Executive Director, Florida Consumer Action Network (FCAN):

“The ability to start and build a small business is critical for so many Floridians who want to contribute to our society and achieve the American Dream for themselves and their families. So we need full and equal opportunity access to financial markets for all individuals with the drive and ambition become entrepreneurs. And since we know that if things aren’t measured, they just don’t happen, it’s critical to get from financial institutions their data on small business lending to ensure that the financial marketplace works for everyone in our society, without discrimination, either purposeful or de facto.”

Mitria Wilson-Spotser, vice president and federal policy director at the Center for Responsible Lending (CRL):

“Small business owners, regardless of where they live or what they look like, deserve fair access to business capital,” said Mitria Wilson-Spotser, vice president and federal policy director at the Center for Responsible Lending (CRL).

“The Section 1071 rule, by shining a light on banks’ practices in loaning to small businesses, will help regulators, lenders and small business owners alike have a better understanding of where access to capital is needed and whether the needs of all of our nation’s entrepreneurs are being met by the financial markets. For decades, women business owners, rural entrepreneurs and entrepreneurs of color have expressed frustration with their inability to get fair access to capital from lenders. That frustration only intensified when far too many small businesses, especially those owned by people of color, failed to gain access to loans under the Paycheck Protection Program. It’s clear that our country needs more transparency in small business lending. Section 1071 will create that transparency and, in the process, further stimulate access to business capital.”

Maleeka Manurasada, National Organizer for HEAL Food Alliance:

“The final CFPB rule is pro-farmer and pro-rural communities because it will help give everyone a fair shot at credit that builds wealth. “At a time when small farmers across the country are struggling to sustain their farms, this kind of transparency and accountability in lending is exactly what we need.”

Jesse Van Tol, President and CEO, National Community Reinvestment Coalition (NCRC)

“This is an act of political theater from a group of people who oppose the CFPB’s very existence, not an earnest or thoughtful disagreement over policy. Anti-consumer lawmakers have been attacking the CFPB since before it was even born. There is a small but stubborn political constituency for the backward idea that protecting consumers from fraud and discrimination is somehow a bad thing. I’m sadly accustomed to watching those folks swing and miss at the agency over and over and over again. This is a moment for supporters of small business owners – and anyone who thinks the economy should be fair to everyone regardless of race, gender or sexuality – to stand united.

“Transparency in small business lending is crucial. We cannot build a just economy free from discrimination if we cannot even see where discrimination is taking place – especially in the key wealth-building arena of entrepreneurship. The CFPB worked hard for a long time to deliver a final rule that is attentive to reasonable industry concerns but vigorous enough to fulfill the mission Congress set for the agency back in 2010. The politicians trying to void that work six elections later do not have the American people’s best interests at heart.”

Bartlett Naylor, financial policy advocate/economist, Public Citizen

Just as the Home Mortgage Disclosure Act helped repair decades of discrimination in this market, small business lending can help identify opportunities to improve this sector as well. We’re schooled that small business is the engine of the economy. Congress must commit itself to removing any of the sands in the gears.

Spencer Watson, Executive Director, Center for LGBTQ Economic Advancement & Research

“It is shameful that foes of the Consumer Financial Protection Bureau are attempting to block these common-sense and long-awaited regulations to enforce the Dodd-Frank Act—enacted after the 2008 financial crisis. Discrimination in lending against businesses owned by women, minorities, and LGBTQI+ entrepreneurs should be a thing of the past, but it is unfortunately still all too common today. And it persists in no small part because of a lack of transparency about application outcomes and loans offered to those business owners. Implementing Section 1071 will finally shine a light on the small business lending market, and enable regulators and advocates to finally identify and defend against patterns of discrimination. More fair and equitable access to lending capital will support stronger and healthier small businesses and communities.”

Paulina Gonzalez-Brito, CEO, Rise Economy

“Rise Economy and our members have pushed for Section 1071 for nearly a decade. We’ve battled endlessly with previous Administrations to get the rule in place as a way to expunge discrimination in the small business lending sector. Now that it’s nearly at the finish line, we’re disappointed to learn of the attempts to kill this potentially transformational rule. Section 1071 would ease many of the challenges faced Black, Indigenous and People of Color (BIPOC) and women-run small business owners face when applying for loans and accessing financial resources. It would also hold lenders accountable for discriminatory lending practices. Failing to

implement this rule is a signal that lawmakers do not consider BIPOC and LMI communities' economic well-being a priority.”