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September 4th, 2018

The Honorable Edmund G. Brown Jr.

Governor, State of California

Sacramento, CA 95815

Via email: [leg.unit@gov.ca.gov](mailto:leg.unit@gov.ca.gov)

RE: Please Sign SB 1235 to Support Small Businesses

Dear Governor Brown,

**We respectfully urge you to sign SB 1235 into law** to bring much-needed transparency standards to small business financing. [Description of your organization, e.g. “XYZ is…” If you like, can add why your organization in particular cares about transparency standards.]

In response to widespread calls for small business financing transparency standards by industry, advocates, and regulators, SB 1235 would make history as the first small business truth in lending law in the country. The California legislature has taken the lead on this issue by passing SB 1235 with broad bipartisan votes of 28-6 in the Senate and 72-3 in the Assembly. If signed, SB 1235 would protect California’s small businesses and economy, support responsible industry innovation, and set the standard for the rest of the country to follow.

SB 1235 does not create any limits on what kind of financing can be provided. It simply requires finance companies to disclose the true costs of that financing. The bill provides the Department of Business Oversight the flexibility to set disclosure standards based on an open regulatory comment process that includes all stakeholders. We believe the DBO is well suited to finalize regulations based on SB 1235 that provide small business owners the transparency they deserve, without impinging on any responsible business practices.

SB 1235 would correct the advantage financing companies can create by being less than transparent, and the difficulty small businesses face today in comparing their options. Most importantly, it will empower California small businesses in their efforts for access to capital and success.

On behalf of California’s small business owners, please sign this bill into law.

Sincerely,

[Signature]