



# California Association for Micro Enterprise Opportunity

## Relationship Building With Your Legislators- District Meeting Webinar



# Setting Up a Meeting

## *Meeting Types*

- Introduction – if legislator doesn't know issue or your organization; or
- Introduction – if are familiar with Micro Enterprise or your organization

In their office or on-site visit, business opening, business tour, informal sit down with other stakeholders to talk in more depth



# Setting Up a Meeting

Schedule early (now!) with district

Convenience is important

Be flexible in time and location.

Ask for ½ hour for intro; 1 hour for business tour

Make appointment with legislator

- back up in order of preference: chief of staff, legislative aide, small business liaison



# Upcoming Breaks for Legislators

• **California:**  
March 18-25

• **Federal**  
March 14-23 House  
April 12-22 House

March 21-April 1 Senate



# Before The Meeting



- Research
- Practice
- Decide Roles (leader, note taker)
- *Tips:*
  - don't be technical – go for big picture
  - don't answer something you don't know



# The Meeting - Agenda

- Connect
- Purpose : (overview of what you're going to say)
- What your organization does, who it helps in district, district impacts (jobs, businesses, etc.)
- Responsible Small Business Lending (mention CAMEO)
- The ask for support



# The Meeting - Connect

Where your research comes in handy...

- common interest
- thank for support on relevant issues



# The Meeting - Purpose

Overview of what you're going to say

- Who you are
- Whom you represent
- What you want to discuss
- What specific action you want the legislator to take





# The Meeting – Your Org

- What your organization does
- who it helps in district
- district impacts (jobs, businesses, etc.)

Hi, I'm Heidi from



# The Meeting - Main Topic

Responsible  
Small Business  
Lending



# Main Talking Points

- **Banks don't lend under \$250,000 to small businesses.**
- **There are some really bad loans out there.**
- **The alternative small business lending industry is growing fast.**
- **There's a better way:**

**Small Business Borrower's Bill of Rights**



# #1

There are some **really bad loans** out there.



One story: Bakery in Southern California, 5 years in in business, immigrant owners.

### Withdrawals and other debits - continued

Date	Description	Amount
02/04/14	FORA FINANCIAL W DES:2129470100 ID:1-877-861-2213	-52.48
02/05/14	BANKCARD-8566 DES:MTOT DISC ID:518089240720375	-469.36
02/05/14	PEARL CAPITAL DES:FXD-D1 ID:347-899-4028#2	-224.00
02/05/14	FORA FINANCIAL W DES:2129470100 ID:1-877-861-2213	-207.26
02/05/14	ON DECK CAPITAL DES:2907822 ID:2907822	-190.48
02/05/14	BANKCARD-8779 DES:MTOT DISC ID:534914130116106	-143.90
02/06/14	PEARL CAPITAL DES:FXD-D1 ID:347-899-4028#3	-224.00
02/06/14	FORA FINANCIAL W DES:2129470100 ID:1-877-861-2213	-220.46
02/06/14	ON DECK CAPITAL DES:2916030 ID:2916030	-190.48
02/07/14	PEARL CAPITAL DES:FXD-D1 ID:347-899-4028#4	-224.00
02/07/14	ON DECK CAPITAL DES:2924196 ID:2924196	-190.48
02/07/14	FORA FINANCIAL W DES:2129470100 ID:1-877-861-2213	-169.71
02/10/14	PEARL CAPITAL DES:FXD-D1 ID:347-899-4028#5	-224.00
02/10/14	ON DECK CAPITAL DES:2932969 ID:2932969	-190.48
02/10/14	FORA FINANCIAL W DES:2129470100 ID:1-877-861-2213	-85.17
02/10/14	LEASE FINANCE GR DES:LEASE PYMT ID:1837047.0210	-82.30

← **Alt Lender # 1**

← **Alt Lender # 2**

← **Alt Lender # 3**

**Alt Lender #4:**  
Merchant Cash Advance taking 20% of credit card sales – not shown on bank statement.



- 4 Alt Lenders taking out \$620 daily from a business with ~ \$2,400 average daily sales – not sustainable.
- None of the 4 “advances”/loans are reported to the credit bureaus

# What abusive practices are we concerned about?



**1.**  
**Lack of  
transparency**



**2.**  
**Unaffordable  
terms**



**3.**  
**Prepayment  
Cost**



**4.**  
**Debt Traps**



**5.**  
**Double Dipping**



**6.**  
**Stacking**

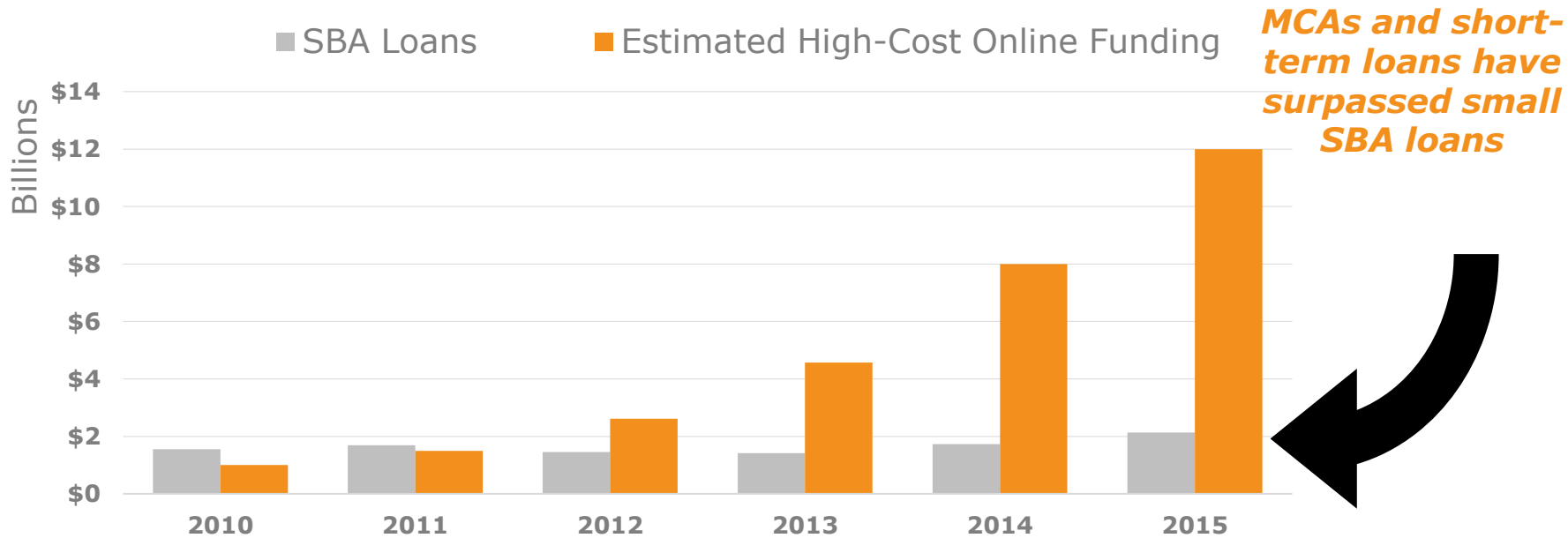


**7.**  
**Broker Abuses**

# #2

The alternative business  
finance industry is **growing  
fast.**





## Business Financing of \$150k or Less



Bank lending is down



High-cost, short-term financing is targeting the gap



# #3

There is almost **no**  
**regulation** of these loans at  
the state or federal level.



# With Regulatory Silos – SB Owners slip through the cracks





# SMALL BUSINESS BORROWERS' BILL OF RIGHTS

1

**The Right to Transparent Pricing and Terms**

4

**The Right to Fair Treatment from Brokers**

2

**The Right to Non-Abusive Products**

5

**The Right to Fair Collections Practices**

3

**The Right to Responsible Underwriting**

6

**The Right to Inclusive Credit Access**

**Signed by  
37 orgs,  
Including:**

**ACCION**

**LendingClub**

**THE ASPEN INSTITUTE**

**Opportunity Fund**  
working capital for working people



Small Business Finance

**fundera**

**Funding Circle**

**SMALL BUSINESS MAJORITY**

**MULTIFUNDING**  
Business Loan Advisors

**CRF USA**



**cfed**  
expanding economic opportunity

California Association for Micro Enterprise Opportunity

**CITYFIRST ENTERPRISES**  
A CAPITALIZING COMMUNITY

**SMALL BUSINESS FINANCE INSTITUTE**  
SBFI.ORG

**The SUPPORT CENTER**  
Your Partner in Small Business Growth

**LATINO ECONOMIC DEVELOPMENT CENTER**  
Bible Making, Thriving Business, Strong Communities

# The Meeting – The Ask



- Would you attend a briefing or an informational hearing?
- Would you call for a briefing or an informational hearing ?
- Would you call for data collection?
- Would you support a resolution that promoted good small business lending practices?
- Would you sponsor a resolution that promoted good small business lending practices?



# After the Meeting

- Stuff to bring with you to leave – your brochure, CAMEO fact sheet, talking points 1-pager, business cards
- Follow Up
  - With legislator
  - With CAMEO



# Questions

## Resources:

Guide to Meeting with Your Legislators

Tips for advocacy and meeting

Talking points

CAMEO Brochure

Questions: Heidi [hpickman@microbiz.org](mailto:hpickman@microbiz.org)

