

**Senate Bill 509: Commercial Financing – Small Business Truth in Lending Act**

**Favorable With Amendment**

**February 14, 2024**

Chair Beidle and distinguished members of the Senate Finance Committee, my name is Chris DiPietro and I come before you on behalf of my client Fiserv.

Fiserv is a global payment processor, which means we work directly with businesses of all sizes and enable them to accept electronic payments such as credit or debit cards. We also manufacture a point-of-sale terminal called Clover. Through Clover we offer merchants a suite of services including a product called Clover Capital. The legislation before you seeks to regulate such commercial financing offerings.

As you are all aware SB509 is modeled from existing law in the state of New York. In our review we identified a technical oversight regarding annual reports that are required to be submitted to the Commissioner. The bill as drafted requires ALL sales-based providers to submit annual reports to the Commissioner, when the intent of the language is for only those who elect the “opt-in” method to do so.

Thus, we respectfully offer the following technical amendment for your consideration:

Amendment to Senate Bill 509

(Third Reading File Bill)

On page 8, in line 32 after “**YEAR,**” strike the word “**A**” and insert “**AN OPT-IN**”.

The justification for this change comes in (2)(III) starting on page 9, line 14. The “hook” of the provision requiring annual review of rates is that opt-in providers found to have too large of a variance have to move from opt-in to historical. It does not make sense to have historical applicable in (D).

With the above amendments, Fiserv supports the legislation and urges a favorable report.

Thank you.