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SECURED FINANCE NETWORK

December 16, 2021

Senator Troy Singleton
Assemblyman John Burzichelli

RE: COMMENTS ON NJ S233

Dear Senator and Assemblyman:

As you are aware the Secured Financial Network ("SFNet") made extensive comments to NJ 2262, which was proposed during the 218th Legislative session by Senator Singleton and has now been reintroduced in the current session of the legislature as S233. A copy of our comment letter is annexed. As you may also be aware, we have communicated these same concerns to Assemblyman Calabrese and Senator Pou.

While we are, of course, disappointed that none of our comments are reflected in the reintroduced legislation, we wish to draw to your attention to the fact that almost identical legislation was enacted in New York and in California, but has still not taken effect as it is extremely difficult to draft meaningful regulations to enforce this legislation as the bill as written is vague and lacks specificity.

In California it has been three years since the "truth in lending" legislation for small businesses was passed and the state has yet to adopt final regulations. In New York the comment period ends in December and while the legislation would otherwise become effective in January of 2022, this date will almost certainly be extend as the regulators struggle with how to best approach a statute that has little granularity.

If you would revisit our comments, you will see that they are aimed at giving clarity to the legislation which would, we believe, expedite the adoption of a final set of regulations resulting in earlier enforcement of the legislation.

We are available to meet and discuss at your convenience.

Sincerely,

A handwritten signature in black ink, appearing to read "RDG", followed by a horizontal line.

Richard D. Gumbrecht
CEO
Secured Finance Network