



NEW YORK STATE SENATOR

Anna M. Kaplan

Senator Anna Kaplan Co-Hosts NYS Senate Joint Public Hearing: Access to Capital for Small Businesses during the Pandemic

SENATOR ANNA M. KAPLAN October 16, 2020

| ISSUE: **COMMERCE, ECONOMIC DEVELOPMENT, STATE SENATE COMMERCE COMMITTEE, CORONAVIRUS PANDEMIC; COVID-19**



State Senator James Sanders Jr. (D-Rochdale Village, Far Rockaway), Chairman of the Senate Committee on Banks today held a joint public hearing with Senator Anna M. Kaplan, Chairwoman of the Senate Committee on Commerce, Economic Development and Small Business, to examine the availability of capital and lending to small businesses during the COVID-19 pandemic.

“During these tough economic times, we must examine ways to help save our businesses from being crushed by the coronavirus pandemic,” Sanders said. “It is important that we hear

directly from merchants and lenders on the most effective way to navigate ahead.”

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“The pandemic has been devastating to New York’s small businesses, and we need to do everything we can to support them through these challenging times,” Kaplan said. “The hearing we held this week was an opportunity to hear first-hand what our small businesses are dealing with, and their testimony has provided valuable insight that will help us support them going forward.”

Providing testimony from Senator Sanders’ District was Nancy Martinez, Chair of the Board of Directors of REMA4US (Rockaway East Merchants Association 4 United Synergy).

“The merchants feel they have no American dream,” Martinez said. “They feel it’s been taken from them.”

The COVID-19 pandemic has had a significant negative impact on many small businesses, including minority-owned small businesses. Lending to small businesses has decreased significantly since the onset of the pandemic, contributing to their financial distress. Many businesses have shut down or are on the verge of permanent closure.

The purpose of this hearing was to explore the status of lending to small businesses during the COVID-19 pandemic. Witnesses were invited to provide feedback on the market for financing and loans, the factors that are impacting the current lending markets, and things that can be done to help facilitate loans or other financing options to small businesses during this pandemic.

“New York City’s small businesses, especially those in the outer boroughs face numerous barriers to accessing loans,” said Jaime Weisberg, Senior Campaign Analyst for the

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Association for Neighborhood and Housing Development. “And now due to COVID and the resulting economic crisis, businesses need direct financial assistance to make up for lost revenue. While some programs have been helpful to a subset of small businesses, the relief has been inequitably distributed, and has not sufficiently reached Back and Brown New Yorkers or the small businesses they own and operate.”

Participants who provided testimony included: Empire State Development, Small Business Development Center at SUNY Farmingdale, Titanium Linx Consulting, Asian American Federation, Association for Neighborhood and Housing Development, Ashnu International, Inc., Asian Americans for Equality, Renaissance Economic Development Corporation, Pursuit Community Finance, Chemung Canal Trust Company on behalf of the Independent Bankers Association of New York State, New York Credit Union Association, Carver Federal Savings Bank, Forward Financing, Buffalo Urban League, and National Federation of Independent Business.

More information on the hearing can be found here:

<https://www.nysenate.gov/calendar/public-hearings/october-14-2020/joint-public-hearing-access-capital-small-businesses-during>

The entire hearing can be viewed at the link below:

<https://youtu.be/MGPWkTXDBcQ>