



International Factoring Association
6627 Bay Laurel Place, Suite C
Avila Beach, CA 93424-0039
Phone (805) 773-0011
www.factoring.org

*Media Contact: Terri Baker
(805) 773-0011 Ext.303*

For Immediate Release

International Factoring Association Celebrates Win for the Factoring Industry

Avila Beach, CA – September 8, 2021–The International Factoring Association (IFA) announced that after many years of advocating for the factoring community by the American Factoring Association (“AFA”), the Consumer Financial Protection Bureau (“CFPB”) has announced that its proposed regulation implementing Section 1071 of the Dodd-Frank Act would not be imposed on the factoring industry, pending final regulation. The AFA will continue to monitor comments submitted to the CFPB and consider appropriate next steps to ensure this victory is retained.

“Until a final regulation is adopted by the CFPB, after a comment period on the proposed regulation, we cannot be guaranteed this exception will be in the final regulation,” said Cole Harmonson, AFA President. “We must remain vigilant to ensure small business has access to fairly priced credit and the opportunity to succeed.”

Section 1071 requires the CFPB promulgate regulations mandating lenders to maintain race and gender records relating to the extension of credit to small businesses. Under the proposal, lenders would be required to report the amount and type of small business credit applied for and extended, demographic information about small business credit applicants, and key elements of the price of the credit offered. The CFPB determined that Section 1071 should not be applied to factors on the ground that factors purchase receivables as opposed to extending credit.

“The lifting of this potential regulatory burden is a huge win for the factoring industry and our members,” said Bert Goldberg, Executive Director of the International Factoring Association.

About the International Factoring Association

Headquartered in Avila Beach, California with over 425 corporate members, the International Factoring Association is the largest association of commercial finance companies in the world. Members include factoring companies, asset-based lenders and other receivables finance companies. Since 1999, the International Factoring Association has provided a forum for member organizations to meet and discuss issues and concerns, share best practices, disseminate information and promote a single voice to the marketplace. The principal spokesperson for the factoring and receivables finance industry is the International Factoring Association’s Bert Goldberg. For more information visit www.factoring.org.