

Small Business Access to Credit Coalition

July 13, 2010

Dear Senator:

Access to credit is a critical issue facing small businesses today. The undersigned organizations, representing millions of small business owners in every industry sector, urge you to support several provisions in the Senate's substitute amendment to H.R. 5297, the Small Business Lending Fund Act aimed at increasing small business access to credit.

A key feature of this measure is bipartisan legislation to modernize popular SBA loan programs and extend expiring loan guarantees and borrower fee reductions. The Next Steps for Main Street Credit Availability, offered by Senators Landrieu and Snowe, will increase the maximum size of SBA 7(a) and 504 loans from \$2 million to \$5 million. This legislation would also provide a commensurate increase in the statutory maximum guaranteed portion of SBA 7(a) loans. The CBO has determined that these provisions will have no impact on spending or revenue. These levels are recommended by the Administration, and we strongly urge your support as well.

Additionally, we urge your support for appropriations to extend the SBA loan provisions of the American Recovery and Reinvestment Act (ARRA) through the end of December. The depletion of funds last fall and subsequent decline in loan volume is proof that the SBA programs were, and continue to be, critically important for our nation's credit-worthy entrepreneurs.

We urge you to act quickly so that we can continue to realize the SBA lending momentum we saw in 2009 and early 2010. Small businesses cannot be the engine of our economy if they continue to face unrelentingly tight credit markets. The Senate must include these important provisions in the currently pending legislation in order to restart the flow of credit to America's small businesses or else these entrepreneurs will be left to sit on the sidelines.

Respectfully,

American Apparel and Footwear Association
American International Automobile Dealers Association
Associated Builders & Contractors
Fashion Accessories Shippers Association
Financial Services Roundtable
Heating, Airconditioning & Refrigeration Distributors International
International Franchise Association
Marine Retailers Association of America
National Association of Government Guaranteed Lenders
National Association of Manufacturers
National Council of Textile Organizations
National Marine Manufacturers Association
National Restaurant Association
National Small Business Association
Printing Industries of America
Small Business California
Travel Goods Association