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National Association of Federal Credit Unions | www.nafcu.org

July 24, 2015

The Honorable John Boehner
Speaker
U.S. House of Representatives
Washington, D.C. 20515

The Honorable Nancy Pelosi
Minority Leader
U.S. House of Representatives
Washington, D.C. 20515

Re: Raise the Statutory Lending Cap on the SBA 7(a) Business Loan Program

Dear Speaker Boehner and Leader Pelosi:

On behalf of the National Association of Federal Credit Unions (NAFCU), the only trade association exclusively representing the federal interests of our nation's federally insured credit unions, I write today regarding the Small Business Administration's (SBA) flagship 7(a) business loan program. Unfortunately, the program has hit its statutory lending cap of \$18.75 billion, which means the government is unable to originate new loans until the fiscal year starts on October 1, 2015. Accordingly, we urge you to act swiftly on this issue to raise the cap for the current fiscal year. An amendment was added during Senate consideration of H.R. 2499, the *Veterans Entrepreneurship Act of 2015*, to raise the limit to \$23.5 billion for the 2015 fiscal year. This Senate-passed legislation is now before the House.

The SBA 7(a) loan program is important to credit unions and their members. The SBA and NAFCU formalized a national partnership to promote small business lending on February 25, 2015. SBA loan products add additional tools to credit unions already helping their members with other financial needs. SBA's 7(a) business loan program is among these important products and helps credit unions provide vital capital to start-up and small and underserved businesses. If no action is taken, a valuable source for small business capital will be unavailable to those still fighting to recover from the financial crisis.

Again, we urge you to act swiftly to raise the statutory cap on the SBA's 7(a) business loan program. Thank you for your consideration and attention to this important matter. If my staff or I can be of assistance or answer any questions, please don't hesitate to contact myself or NAFCU's Director of Legislative Affairs Jillian Pevo at 703-842-2836.

Sincerely,

Brad Thaler
Vice President of Legislative Affairs

cc: Members of the House of Representatives