



3138 10th Street North  
Arlington, VA 22201-2149  
703.522.4770 | 800.336.4644  
F: 703.522.2734  
fbecker@nafcu.org

**Fred R. Becker, Jr.**  
President/CEO

National Association of Federal Credit Unions | [www.nafcu.org](http://www.nafcu.org)

June 5, 2013

The Honorable David Schweikert  
Chairman  
Subcommittee on Investigations,  
Oversight and Regulations  
Committee on Small Business  
U.S. House of Representatives  
Washington, D.C. 20515

The Honorable Yvette Clarke  
Ranking Member  
Subcommittee on Investigations,  
Oversight and Regulations  
Committee on Small Business  
U.S. House of Representatives  
Washington, D.C. 20515

**RE: Capital for America's Small Businesses**

Dear Chairman Schweikert and Ranking Member Clarke:

On behalf of the National Association of Federal Credit Unions (NAFCU), the only trade association that exclusively represents the interests of our nation's federal credit unions, I write today in conjunction with tomorrow's hearing entitled "Financing America's Small Businesses: Innovative Ideas for Raising Capital." The nation's credit unions have been responsible actors in the financial services arena throughout the financial crisis and are prepared to continue helping small businesses create jobs.

As the subcommittee considers the issue of capital availability for small businesses, we urge you not to overlook the potential that currently exists with credit unions. Our nation's credit unions have money to loan to small businesses; however, an outdated and arbitrary business lending cap stands in their way. Representatives Ed Royce and Carolyn McCarthy have introduced the *Credit Union Small Business Jobs Creation Act* (H.R. 688), a bill that would raise the member business lending cap in a sound way for eligible credit unions and help extend credit to the small businesses that drive our economy without spending a dime of taxpayer funds. We urge you to support this effort.

As you know, crowdfunding, one of the topics of this hearing, would allow entrepreneurs to raise much needed capital from small dollar investors pooling their money outside of the traditional capital markets. Cooperative organizations like credit unions are predicated on the idea of members coming together to pool their money and promote thrift among the membership.


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It would seem to be sensible that all solutions, including raising the credit union member business lending cap, should be reviewed in concert with any effort to promote the idea of crowdfunding. As our country recovers from the worst financial crisis since the Great Depression, Congress should leave no stone unturned in terms of helping small businesses create jobs and getting Americans back to work.

Raising the credit union member business lending cap is a key issue for NAFCU members and should be coupled with efforts to promote crowdfunding. Anything less will represent another missed opportunity to maximize the availability of credit to American small businesses and help our economy recover.

We thank you for your consideration and welcome the opportunity to discuss this matter further. If my colleagues or I can be of assistance to you, or if you have any questions regarding this issue, please feel free to contact myself or NAFCU's Vice President of Legislative Affairs, Brad Thaler, at (703) 842-2204.

Sincerely,

A handwritten signature in black ink, appearing to read 'Fred R. Becker, Jr.', with a stylized, cursive flourish.

Fred R. Becker, Jr.  
President and CEO

cc: Members of the Subcommittee on Investigations, Oversight and Regulations