



3138 10th Street North
Arlington, VA 22201-2149
703.522.4770 | 800.336.4644
f: 703.524.1082
nafcu@nafcu.org | nafcu.org

National Association of Federally-Insured Credit Unions

May 8, 2018

The Honorable Paul Ryan
Speaker
United States House of Representatives
Washington, DC 20515

The Honorable Nancy Pelosi
Minority Leader
United States House of Representatives
Washington, DC 20515

Re: NAFCU supports H.R.4743, the *Small Business 7(a) Lending Oversight Reform Act of 2018*

Dear Speaker Ryan and Leader Pelosi:

On behalf of the National Association of Federally-Insured Credit Unions (NAFCU), the only trade association exclusively representing the federal interests of our nation's federally-insured credit unions, I write in conjunction with today's scheduled House consideration of H.R. 4743, the *Small Business 7(a) Lending Oversight Reform Act of 2018*. We appreciate the leadership of House Small Business Committee Chairman Steve Chabot and Ranking Member Nydia Velázquez in moving this bill forward, and we urge the House to overwhelmingly support and pass this important legislation.

This bipartisan legislation would increase the Small Business Administration's (SBA) oversight authority over its 7(a) loan program, including increasing the office's enforcement options. It would strengthen SBA's Office of Credit Risk Management by outlining in statute the responsibilities of the office and the requirements of its director as well as strengthen SBA's Credit Elsewhere Test by clarifying the factors that must be considered. Additionally, it would require SBA to detail its oversight budget and perform a full risk analysis of the program on an annual basis. The 7(a) loan program is critical to credit unions' ability to provide loans to small businesses and entrepreneurs, and NAFCU believes this legislation would only improve the already very important program.

Once again, we strongly support H.R. 4743 and thank you for your attention to this important legislation. Should you have any questions or require any additional information please contact me or Allyson Browning, NAFCU's Associate Director of Legislative Affairs, at 703-842-2836 or abrowning@nafcu.org.

Sincerely,

Brad Thaler
Vice President of Legislative Affairs

cc: Members of the United States House of Representatives