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National Association of Federally-Insured Credit Unions

January 12, 2018

The Honorable Jim Risch
Chairman
Committee on Small Business
and Entrepreneurship
United States Senate
Washington, D.C. 20510

The Honorable Steve Chabot
Chairman
Small Business Committee
U.S. House of Representatives
Washington, D.C. 20515

The Honorable Jeanne Shaheen
Ranking Member
Committee on Small Business
and Entrepreneurship
United States Senate
Washington, D.C. 20510

The Honorable Nydia Velázquez
Ranking Member
Small Business Committee
U.S. House of Representatives
Washington, D.C. 20515

Re: NAFCU Supports Efforts to Strengthen the Small Business 7(a) Lending Program

Dear Chairman Risch, Ranking Member Shaheen, Chairman Chabot, and Ranking Member Velázquez:

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 today to applaud your efforts to reform the Small Business Administration's 7(a) Lending Program. NAFCU looks forward to working with Congress to reform the program so that it works better for credit unions and their more than 110 million members.

Credit unions actively participate in the 7(a) lending program as a way for them to mitigate loan risk and maximize small-business lending within their statutory member business loan (MBL) cap. The program is critical to credit unions' ability to provide loans to small businesses and entrepreneurs in their communities. NAFCU was pleased to renew a Memorandum of Understanding with SBA Administrator Linda McMahon last September in an effort to help improve credit union access and participation in SBA lending programs.

The Small Business 7(a) Lending Oversight and Reform Act (S. 2283/H.R. 4743) would increase the Small Business Administration's (SBA) oversight authority over its 7(a) loan program and bring improvements to the program. NAFCU supports this legislative effort and stands ready to work with you to improve the 7(a) loan program and ensure that this legislation will achieve its goals while not unduly burdening credit unions in the process.

Thank you for your consideration and attention to this important matter. If we can answer any questions or provide you with additional information on any of these issues, please do not hesitate to contact myself or NAFCU's Senior Associate Director of Legislative Affairs, Chad Adams, at 703-842-2265.

Sincerely,

A handwritten signature in black ink, appearing to read 'Brad Thaler', with a long horizontal flourish extending to the right.

Brad Thaler
Vice President of Legislative Affairs