

March 3, 2010

# **Promote Job Creation by Improving Small Business Credit Access**

## ***Support for H.R. 3380 Swells in Congress and Grows Beyond Credit Unions***

Dear Colleague:

Please join us in promoting greater access to capital for small businesses by cosponsoring H.R. 3380, the Promoting Lending to America's Small Businesses Act. Last week you probably heard directly from your local credit unions about the need to enact this bill. Today, we thought you would like to know about the many other groups that support this common-sense legislation.

Momentum for H.R. 3380 is clearly growing. During the last week alone, more than 30 Members signed on as supporters. As a result, 90 Members have now cosponsored the bill.

Additionally, our bipartisan legislation to allow credit unions to do more to help small businesses to grow and put people back to work enjoys broad support beyond the credit union industry. In fact, many business groups, associations, and think tanks have now backed H.R. 3380, including:

**National Association of Realtors**  
**National Association of Manufacturers**  
**National Small Business Association**  
**National Farmers Union**  
**Council of Insurance Agents & Brokers**  
**Manufactured Housing Institute**  
**National Cooperative Grocers Association**  
**Americans for Tax Reform**  
**Competitive Enterprise Institute**  
**League of United Latin American Citizens**  
**Ford Motor Minority Dealer Association**  
**National Association of Professional Insurance Agents**  
**National Association of Mortgage Brokers**  
**NCB Capital Impact**  
**National Association for the Self-Employed**  
**National Cooperative Business Association**  
**National Council of Textile Organizations**  
**Center on Risk, Regulation, & Markets at the Heartland Institute**

Credit unions have lent to their business-owning members for a century, and they now want to do even more to help get our country's economy back on track. An arbitrary statutory cap, however, has limited the ability of credit unions to respond effectively to the Great Recession. To fix this problem, H.R. 3380 would modestly increase the limits on credit union member business lending from 12.25 percent to 25 percent of the total assets of the credit union. The bill would also exempt small business loans of less than \$250,000 from the cap.

It makes real economic and fiscal sense to enhance credit unions' ability to lend to their business-owning members. According to a recent analysis by the Credit Union National Association, H.R. 3380 could spur up to \$10 billion in credit union lending to small businesses this year, helping to create more than 108,000 new jobs. Moreover, the enactment of this bill would provide meaningful support for America's small businesses at virtually no cost to taxpayers and without increasing the size of government.

Credit unions are an important part of the financial services industry and have available needed capital to lend right now to small businesses. Congress just needs to flip on the switch. Allowing credit unions to extend loans to credit-starved small businesses will add fuel to a self-sustaining economic expansion. We need to enact H.R. 3380 into law now.

If you would like to cosponsor H.R. 3380, the Promoting Lending to America's Small Businesses Act, please have your staff call Richard Capparell at extension x5-6511.

Sincerely,



Paul E. Kanjorski  
Member of Congress



Edward R. Royce  
Member of Congress