

From: Bill Cheney [<mailto:officeoftheceo@cuna.com>]

Sent: Tuesday, April 3, 2012

To:

Subject: Providing small businesses with greater access to credit

Small businesses across America are struggling to access credit. Owners and employees of small businesses have spoken at town hall meetings, their local chamber of commerce, rotary clubs and even the halls of Congress, that in order to succeed they must have the opportunity to grow and expand. A January 2012 NFIB study showed that there has been a 9% increase in demand by small businesses to access credit. In its report, the NFIB says, “that increase suggests many small-business owners had reevaluated their situations in the year and found their prospects more favorable than they had been. **Yet, the number acquiring credit did not change. Lenders effectively rejected all net new borrowers.**”

[This op-ed](#), which was recently posted on the Daily Caller website, sheds light on the plight of America’s small business owners who have sought credit and been turned down by banks. Many of these well qualified borrowers have turned to their credit unions for loans, and found access to credit ready and available. In fact, throughout the financial crisis, credit unions stood by their small business members increasing lending in a down economy by more than 40%. (Even with this increased activity by credit unions, we are still only 6% of the overall marketplace.) But now, the credit unions that have contributed the most to this growth are approaching the statutory cap on credit union business lending.

S. 2231 / H.R. 1418 would provide a way in which well capitalized credit unions with a history of operating near the statutory cap on business lending can continue to serve their business owning members during the recovery. Credit unions have been helping small businesses since day one and we want to continue to be there in the future.

On behalf of the 94 million members of America’s credit unions, we encourage Congress to enact S. 2231 / H.R. 1418, the Credit Union Small Business Jobs bill.

Best regards,

Bill Cheney
President and CEO