



March 23, 2011

The Honorable Mark Udall  
United States Senate  
Washington, D.C. 20510

Dear Senator Udall:

The National Small Business Association is pleased to support the *Small Business Lending Enhancement Act (S. 509)*. Reaching 150,000 small businesses across the nation, NSBA is the country's oldest small-business advocacy organization.

With America's entrepreneurs—existent and aspiring—continuing to suffer through a credit crunch, NSBA believes that Congress should do everything within its power to encourage and expand small-business lending. If the nation's credit unions stand ready, willing, and able to increase their lending to small firms beyond their current statutory cap of 12.25 percent of assets, then Congress immediately should increase credit unions' small-business lending cap.

According to a recent U.S. Small Business Administration (SBA) Office of Advocacy study, small-business lending dropped by 6.2 percent from Fiscal Year (FY) 2009–2010. This translates into a drop of \$43 billion. Compared to June 2008, the total value of outstanding loans to small firms plunged by 8.3 percent—or \$59 billion. NSBA data also demonstrate a constricted credit market. More than a third (36 percent) of the small-business respondents to NSBA's 2010 Year-End Economic Report asserted being unable to obtain adequate financing.

Against this bleak backdrop, NSBA—confident that the nation's credit unions stand ready to extend critical capital to America's small-business owners—urges Congress to adopt the *Small Business Lending Enhancement Act (S. 509)*.

NSBA is pleased to support *S. 509* and thanks you for your leadership on the issue.

Sincerely,

A handwritten signature in black ink, appearing to read "Todd O. McCracken". The signature is stylized and includes a long horizontal flourish at the end.

Todd O. McCracken  
President