



## Subchapter S News



**February 28, 2011**

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### **ABA Urges Treasury to Include Sub S Banks in Small Biz Fund ASAP**

02/25/2011 - ABA sent a letter to Treasury Secretary Timothy Geithner expressing concern that mutual institutions and Subchapter S corporations are, as they were with the Capital Purchase Program, being placed at the end of the line of financial institutions when it comes to their ability to participate in Treasury's Small Business Lending Fund (SBLF) program. In the letter, the ABA noted that because the SBLF's one-year authorization is set to expire in approximately seven months, there is very little time for mutuals and S banks to familiarize themselves with the yet-to-be published application materials, make the application and be approved.

There is no doubt that mutuals and Sub S banks are involved extensively in small-business lending. Hence, "[k]eeping these institutions on the sidelines is likely to hamper the ability of the SBLF to meet the credit needs of small businesses..." The letter concluded by urging Treasury to quickly publish the necessary materials for mutuals and S corporations so that they can also participate in the program. [Click here](#) to view the letter.

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