

June 7, 2016

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

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

Dear Chairman Vitter and Ranking Member Shaheen:

Thank you for your efforts to enhance oversight of the Small Business Administration's (SBA) 7(a) loan program. Your legislation, the Small Business Lending Oversight Act of 2016 (S. 2992), is the first step in a long process to manage a program that has brought needed credit to small businesses and provide financial institutions, particularly community banks with limited resources, a financing tool to assist many of their small business customers.

By both volume and dollars, the 7(a) program provides a great benefit to small businesses and taxpayers. The program is responsible for the creation and retention of thousands of jobs throughout the United States. This is not possible without a unique and effective partnership built between the public and private sector for many years.

As the committee moves to consider S. 2992 we want to express our interest and desire to continue working on this measure as it moves through the legislative process. We want to ensure that community banks, many of whom provide a limited number of 7(a) loans to customers, are able to continue to offer these loans in a cost efficient way to their customers. I know you will agree that it would be harmful to entrepreneurs if any lender exited the program due to an imbalanced or overly restrictive cost and fee structure.

Your leadership in starting this discussion is greatly appreciated. We plan to continue to work with you, your colleagues in the Senate and your counterparts in the House to ensure that all participants, both borrowers and lenders, are able to continue using the 7(a) lending program today and into the future so the Nation's small business credit needs can best be met.

We look forward to continued dialogue on this legislation.

Sincerely,

Rob Nichols
/s/
President and CEO
American Bankers Association

Camden R. Fine
/s/
President and CEO
Independent Community Bankers of America