

July 27, 2015

To: Members of the U.S. House of Representatives

From: James Ballentine, Executive Vice President, Congressional Relations & Political Affairs

Re: Support for Senate Amendment to H.R. 2499 – Veterans Entrepreneurship Act of 2015
(scheduled for consideration on Suspension Calendar – Monday, July 27)

On behalf of the members of the American Bankers Association (ABA), I write to express our support for the Senate amendment to H.R. 2499, the Veterans Entrepreneurship Act of 2015. This legislation, scheduled to be considered during today's suspension calendar, would preserve the 7(a) loan guaranty program of the Small Business Administration (SBA) through the end of the fiscal year.

Over the years, the SBA's 7(a) program has successfully served as the premier small business government loan program for many start-up and growing small businesses that lack sufficient access to capital. Loan proceeds can be used for a number of business purposes including working capital, machinery and equipment, furniture and fixtures, land and building, leasehold improvements, and debt refinancing.

The 7(a) program has been a critical lending tool for traditional banks to help meet the credit needs of small businesses. This year the program has been a victim of its own success. The current loan approvals will exceed authorized program levels before the end of fiscal year. Without an increase in the authorization ceiling, the 7(a) program would be forced to shut down before the end of the fiscal year.

We applaud Senate Small Business Committee Chairman David Vitter and Senators Jim Risch and Jeanne Shaheen for amending H.R. 2499 to increase the authorization levels and preserve the 7(a) loan program. We also commend House Small Business Committee Chairman Steve Chabot and Ranking Member Nydia Velazquez for their leadership on this issue.

ABA urges the House of Representatives to support this amended legislation that will allow banks and the SBA to continue to serve America's small businesses.