



Council of Development Finance Agencies
100 East Broad Street, Suite 1200
Columbus, Ohio 43215

October 28, 2015

The Honorable Senator Shelby
Chairman, Committee on Banking, Housing, and Urban Affairs
534 Dirksen Senate Office Building
Washington, DC 20515

Dear Chairman Shelby:

On behalf of the Council of Development Finance Agencies (CDFA), the national non-profit trade association for the development finance industry, small business stakeholders, and the undersigned supporters, I write to you asking that the Senate Committee on Banking, Housing, and Urban Affairs support legislation to extend the successful State Small Business Credit Initiative. One such bill, Small Business Access to Capital Act of 2015, S.1901, provides an additional \$1.5 billion in funds for the program to facilitate capital access for small businesses and manufacturers.

State and local programs in the Initiative facilitate capital access and leverage private investment for small businesses. To date, the more than 12,000 businesses receiving support from these programs have created or retained 140,000 jobs and leveraged \$7 of private investment for every \$1 in federal funding. Nearly 96% of the loans and investments have gone to businesses with 50 or fewer employees—the building blocks of local economies.

The additional round of funding is greatly needed by small businesses. Many states—including Alabama, Idaho, Illinois, Kansas, South Carolina, Arkansas, and South Dakota—have deployed more than 90% of their funds, but small businesses in these states continue to face credit challenges. Small businesses hold



back on expansion plans due to tight credit markets, as discussed in the 2014 Joint Small Business Credit Survey Report. Without additional funding for capital access programs, more small businesses will be forced to wait out the market, further weakening the country's economic recovery.

Recognizing these concerns of small businesses, Governor Bentley of Alabama and Governor Tomblin of West Virginia recently co-authored an op-ed in *The Hill* supporting an additional \$1.5 billion in funding for the Initiative. The Governors point to a range of benefits for their constituents, not just the nearly 2,000 supported jobs in the states, but also assistance for innovation in the form of investments into 37 West Virginia businesses, and infrastructure development facilitated in Alabama through a partial loan guarantee to a wireless communications company. Support for state small business credit programs will ensure these types of success stories and economic growth can continue into the future.

CDFA and the undersigned organizations from throughout the country strongly encourage the Committee on Banking, Housing, and Urban Affairs to support this successful and efficient program and an extension of funding. As always, we thank you for considering our views, and we stand prepared to respond to any questions that you might have.

Sincerely,

Toby Rittner, DFCP, EDFP
President & CEO

Enclosures: List of undersigned organizations
Related letters of support for the *Small Business Access to Capital Act of 2015*