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National Association of Federally-Insured Credit Unions

July 20, 2020

The Honorable Mike Levin
Chairman
Subcommittee on Economic Opportunity
Committee on Veterans' Affairs
U.S. House of Representatives
Washington, D.C. 20515

The Honorable Gus Bilirakis
Ranking Member
Subcommittee on Economic Opportunity
Committee on Veterans' Affairs
U.S. House of Representatives
Washington, D.C. 20515

Re: Tomorrow's hearing, "Getting Veterans to Work After COVID-19"

Dear Chairman Levin and Ranking Member Bilirakis:

I am writing on behalf of the National Association of Federally-Insured Credit Unions (NAFCU) in conjunction with tomorrow's hearing on getting veterans back to work after COVID-19. NAFCU advocates for all federally-insured not-for-profit credit unions that, in turn, serve 120 million consumers with personal and small business financial service products.

NAFCU is supportive of the goal of helping our veterans get back to work, especially with the current economic challenges. We would like to take this time to highlight that credit unions are an important resource for our nation's veterans' small business and entrepreneurial endeavors. NAFCU analysis of recent Paycheck Protection Program (PPP) data released by the Small Business Administration shows that 5.3 percent of all PPP loans made by credit unions were made to veteran-owned businesses, a higher percentage than any other type of PPP lending institution. Credit unions are there to help our nation's veteran-owned businesses in these uncertain times.

Congress can help credit unions continue this effort. To that end, we ask that you support H.R. 2305, the *Veterans Members Business Loan Act*. This bipartisan bill introduced by Representatives Vicente Gonzalez, Paul Cook, Don Young and Tulsi Gabbard would improve veterans' access to necessary capital by removing statutory barriers that hinder credit unions' ability to meet the financial needs of our nation's veterans. As a result of the close relationships credit unions maintain with their members, credit unions are often willing to assist members when other lenders refuse. Unfortunately, credit unions face a statutory member business lending (MBL) cap that hinders their ability to fully serve the needs of small businesses. Enacting this legislation will help ensure that credit unions can continue supporting veteran-owned businesses at a high level after the pandemic ends. This will allow veterans further resources for success in the private sector after separating from the military. We urge you to support and co-sponsor this important legislation.

Should you have any questions or require any additional information, please contact me at 703-258-4981.

Sincerely,

Lewis Plush
Associate Director of Legislative Affairs

cc: Members of the Committee on Veterans Affairs, Subcommittee on Economic Opportunity