



3138 10th Street North
Arlington, VA 22201-2149
703.522.4770 | 800.336.4644
f: 703.524.1082
nafcu@nafcu.org | nafcu.org

National Association of Federally-Insured Credit Unions

November 14, 2023

The Honorable Jeanne Shaheen
Chair
Committee on Small Business
& Entrepreneurship
United States Senate
Washington, DC 20510

The Honorable Joni Ernst
Ranking Member
Committee on Small Business
& Entrepreneurship
United States Senate
Washington, DC 20510

Re: Tomorrow's Committee Hearing: "Veteran Entrepreneurship: From Service to Small Business Success"

Dear Chair Shaheen and Ranking Member Ernst:

I am writing on behalf of the National Association of Federally-Insured Credit Unions (NAFCU) in conjunction with tomorrow's hearing, "Veteran Entrepreneurship: From Service to Small Business Success". NAFCU advocates for all federally-insured credit unions that, in turn, serve over 138 million consumers with personal and small business financial service products. NAFCU's members, in particular defense credit unions, take special pride in serving veterans and supporting veteran entrepreneurs.

Credit unions are an important resource for our nation's veterans in their small business and entrepreneurial endeavors. Service members develop broad expertise across many disciplines while in the military, learning skills that can provide tremendous value to the economy. After great personal sacrifice, these Americans deserve every opportunity for success in their transition back to civilian life. One way Congress can help is to support legislation that would provide relief to barriers that stand in the way of veterans accessing credit for small businesses. This includes the arbitrary credit union member business lending (MBL) cap that constrains our credit union members' ability to help small businesses.

NAFCU supports S. 539, the Veterans Member Business Loan Act, introduced in the Senate by Sens. Dan Sullivan, R-Alaska, and Mazie Hirono, D-Hawaii, which would exempt loans made to veterans from the MBL cap. This bill 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 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. We urge the Committee to support this

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important legislation and request that the Senate consider this bill to ensure our veteran-owned businesses receive the necessary capital and financial support to attain their financial goals.

We thank you for the opportunity to share our thoughts on the importance of improving veteran entrepreneurship and access to credit for our nation's veterans. Should you have any questions or require any additional information, please contact me or Amber Milenkevich, NAFCU's Senior Associate Director of Legislative Affairs, at amilenkevich@nafcu.org.

Sincerely,

A handwritten signature in cursive script that reads "Brad Thaler".

Brad Thaler
Vice President of Legislative Affairs

cc: Members of the U.S. Senate Committee on Small Business & Entrepreneurship