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National Association of Federally-Insured Credit Unions

April 29, 2022

The Honorable Blaine Luetkemeyer
2230 Rayburn House Office Building
United States House of Representatives
Washington, DC 20515

Re: IMPROVE the SBA Act

Dear Ranking Member Luetkemeyer:

I write to you today on behalf of the National Association of Federally-Insured Credit Unions (NAFCU) to thank you for your leadership in introducing legislation to reform the Small Business Administration (SBA) and prohibit the agency from engaging in any direct lending programs. NAFCU advocates for all federally-insured, not-for-profit credit unions that, in turn, serve 130 million consumers with personal and small business financial service products.

NAFCU supports your efforts to limit direct lending by the SBA as part of the *IMPROVE the SBA Act*. Using the proven model of public-private partnerships with SBA programs is a commonsense approach to ensuring SBA funds are properly used to target the communities they are intended to help. Any incursion into direct lending by the SBA comes with peril given the federal government's track record of fraud and failure in past direct lending. Your legislation recognizes and attempts to properly address this risk. Credit unions appreciate the opportunity to partner with the SBA and offer SBA products to their members. We look forward to working with you on this legislation to ensure it continues that relationship.

We thank you for the opportunity to share our thoughts on the *IMPROVE the SBA Act*, and we look forward to working with you on other parts of the legislation so that our country's credit unions can further help small businesses. Should you have any questions or require any additional information, please contact me or Lewis Plush, NAFCU's Associate Director of Legislative Affairs, at (703) 258-4981 or lplush@nafcu.org.

Sincerely,

Brad Thaler
Vice President of Legislative Affairs