

**Memorandum**

**To:** Honorable Members of the Michigan Congressional Delegation

**From:** Rob Fowler, President and CEO

**Date:** November 26, 2012

**Re:** S. 2231 *Small Business Lending Enhancement Act*

Michigan’s small business community continues to endure the worst of our nation’s credit crunch. Increasing access to capital for our members remains one of the Small Business Association of Michigan’s top issues.

Increasing the statutory cap for credit union member business lending from the current 12.25 percent to 27.5 percent of the total assets of the credit union will make it easier for America’s small-business community to obtain the financing they need to expand their businesses, hire new employees, and maintain sustainable economic growth. The nation’s credit unions stand ready, willing, and able to increase their lending to small firms beyond their current statutory cap of 12.25 percent of assets. Therefore, it is imperative that Congress increase credit unions’ small-business lending cap. Nearly $600 million dollars in available capital could be unlocked in Michigan in the first year alone if S. 2231 were approved.

Michigan, we believe, is in the midst of an economic comeback and small businesses across the state are poised for growth. By securing the financing they need, small business owners will be better equipped to invest in job growth and expand their business.

SBAM supports increasing the cap on credit union business lending from 12.25 percent of a credit union’s assets to 27.5 percent of total assets and urges you to support the *Small Business Lending Enhancement Act* (H.R. 1418, S. 2231).