



May 25, 2010

The Honorable Sander Levin
Chairman, Committee on Ways and Means
U.S. House of Representatives
Washington, D.C. 20515

Dear Mr. Chairman:

The National Association of Development Companies representing certified development companies providing long-term, fixed rate capital to small business through the Small Business Administration's 504 loan guarantee program urges swift House adoption of H.R. 4213, the American Workers, State, and Business Relief Act of 2010. Specifically, NADCO supports the provisions in the bill relating to extending 504 program fee relief to small businesses that receive capital through it.

Conventional credit standards remain tight. Banks and other lenders remain capital constrained. Regulators continue to push banks to "preserve capital" which for many translates into "do not make loans." And the balance sheets of many small businesses have been weakened by the economic recession. Under these conditions, 504 program lending (measured in dollar volume) is up 50 percent this fiscal year over the comparable period last year and the number of 504 loans closed has increased by 55 percent. The results of lending by certified development companies can be seen on Main Streets across the nation.

The fee relief granted to SBA 504 borrowers through the American Recovery and Reinvestment Act of 2009 has played a significant role in enabling smaller firms to access capital that creates jobs. H.R. 4213 extends those fee relief provisions through this calendar year. Their impact is indisputable and measurable. They deserve to be extended.

Sincerely,

Christopher L. Crawford
President & CEO