March 29, 2012

The United States House of Representatives Washington, DC 20515

Dear Member of Congress,

You have an opportunity to become a champion for Main Street today. Not just for "small business," but for the actual smallest of small brick-and-mortar businesses found in cities and towns throughout your district. As credit markets have tightened and new regulatory burdens have been placed on financial institutions, our access to affordable capital remains blocked off. When banks were forced to reassess their lending portfolios, thousands of our member businesses saw lines of credit converted to fixed loans or pulled altogether. The primary reason: we often lack the collateral necessary to satisfy underwriting requirements for traditional loans. It's not that community banks do not want to lend to us, they cannot. To survive, Main Street businesses need a path to capital restored immediately.

While we are committed to working with our neighbors, the community banks, to provide greater flexibility in lending to our members, one result of the Great Recession was increased scrutiny of existing lending practices and greater difficulty for banks attempting to service both new and existing loans. Meanwhile, Main Street businesses continue to operate without a safety net: without the certainty of knowing that they will have access to financial services when they need to call upon them. We are looking for any way to keep our doors open and to preserve the local communities that we serve. Not a bailout or a handout, but a way out of the financial jeopardy in which most of our businesses operate.

Rep. Kurt Schrader's "Restore Main Street's Credit Act of 2012" does just that. It exempts brick-and-mortar businesses with 20 or fewer full-time employees from having their loans count against the business lending cap placed on credit unions. It requires the National Credit Union Administration to issue guidelines for an appropriate amount of lending to credit worthy businesses while ensuring for safety and soundness of those institutions. Most importantly, it does these things at no cost to the American taxpayer. We recognize that this solution is not a silver bullet. But this type of targeted business lending can specifically begin to address the credit gap for the smallest of small businesses that banks have difficulty servicing, including those in your neighborhood: florists, garden centers, gas stations, convenience stores, appliance stores, bakers, craft stores, specialty toy retailers, small family farms and others.

We do not just need a way to start up, we need a way to keep up. Our friends and family that have dug deep into their pockets to help are now pulling out lint. High interest credit cards increase our cost of doing business by 20% or more while imposing upon our suppliers tens of thousands of dollars in fees by accepting card payments to keep our shelves, storage closets and coolers stocked. Wholesalers and

suppliers of our businesses are also forced to act as our "banks," extending unsecured credit to our members while larger competitors have the means to pay their bills within a week. This is not a sustainable business model. The Restore Main Street's Credit Act is a simple, no-cost, non-partisan tweak that will help restore our access to affordable financial services when we need them. It will help to sustain modest, locally-owned businesses while preserving the communities that our members, the community banks, the credit unions and our public officials all serve. This bill does not solve every challenge we face, but it is a good start.

If our local and national economies are on the verge of recovery, we want in on it. All we ask is that you do not give up on us. Join Rep. Blumenauer and Rep. DeFazio in cosponsoring H.R. 4293, the "Restore Main Street's Credit Act of 2012," as introduced by Rep. Kurt Schrader on March 28, 2012. Help close the credit gap that exists for the businesses you frequent along Main Street back home. Give them the financial safety, security and flexibility they need to reinvest in themselves and grow again without spending a dime of taxpayer money. Restore their path to credit and their faith by sending them the message that you believe in who they are and what they do. Become a champion for Main Street today.

Thank you for your consideration.

Sincerely,

National Coalitions/Groups

American Independent Business Alliance American Sustainable Business Council Institute for Local Self-Reliance Main Street Alliance National Main Street Business Coalition Small Business Majority

Trade Associations

American Nursery & Landscape Association
American Specialty Toy Retailers Association
Arizona State Florists Association
California State Floral Association
Connecticut Florists Association
Craft and Hobby Association
Drycleaning & Laundry Institute
Florida Nursery, Growers & Landscape Association (FNGLA)
Master Florists Association
NACS, the National Association of Convenience Stores
National Farmers Union
National Funeral Directors Association
North American Retail Dealers Association
OFA – The Association of Horticulture Professionals

Petroleum Marketers Association of America
Professional Landcare Network
Retail Bakers of America
Society of American Florists
South Carolina Small Business Chamber of Commerce
Texas State Florists' Association
Wholesale Florist & Florist Supplier Association
Wisconsin and Upper Michigan Florists Association (WUMFA)