

*February 2, 2010*

The Honorable Barney Frank  
Chairman, House Committee on Financial Services  
2129 Rayburn House Office Building  
Washington, DC 20515

Via Fax: (202) 225-6952

Dear Chairman Frank

On behalf of Bethpage Federal Credit Union and our 164,370 members, I am requesting your support for H.R.3380, the Promoting Lending to America's Small Businesses Act, legislation introduced by Representatives Paul Kanjorski (D-PA) and Ed Royce (R-PA), that would increase the credit union member business lending cap and give credit unions the opportunity to help small businesses during these difficult times.

As you know, small businesses are finding it increasingly difficult to secure credit from banks, and the struggles of CIT have only exacerbated the problem. These businesses are the engine of the American economy and it is in everyone's interest to see them be successful. Many credit unions would be in a better position to help these small businesses if they were not restricted by a statutory cap on the amount of business loans they can lend.

Bethpage, in particular, would have access to an additional \$460 million to lend to small businesses throughout Long Island and the country. Small businesses cannot get loans from large banks and credit unions, like Bethpage, want to provide it to them. In addition, this legislation would help create 7,200 new jobs in New York and 108,000 nationally.

That is why I am asking you to support of H.R. 3380. If this legislation were law, credit unions could provide up to \$10 billion of stimulus to America's small businesses at no cost to the taxpayer and without increasing the size of government.

Bethpage and other credit unions continue to lend, even in these difficult times. In fact, the fastest growing type of credit union lending is business lending. In the last year we have quadrupled our business lending team. Raising the cap on credit union business lending will not lead to unlimited business lending by credit unions. Credit unions are well regulated by the National Credit Union Administration which ensures that the loans we make are in the best interest of our members. Our conservative approach to lending is what helped us largely stay out of the current crisis, and it is what makes business loans among the safest loans we do today.

In a time where small businesses are struggling throughout the country and cannot obtain credit from banks, credit unions present an alternative option. Without raising the MBL cap to 25% as proposed by this legislation, it is preventing businesses from getting the aid they need. With our current lending pipeline at Bethpage, we would reach our CAP in the next few years.

Please give credit unions the opportunity to serve America's small businesses by supporting H.R. 3380, the Promoting Lending to America's Small Businesses Act. If you are interested in becoming a co-sponsor of H.R. 3380, please contact Richard Capparell in Representative Kanjorski's office.

Bethpage Federal Credit Union and credit union members across the country appreciate your consideration of this important legislation.

Sincerely,

Bethpage Federal Credit Union