NADCO Members,

Thank you for your unwavering efforts to help small businesses in need in your communities. On behalf of the trade association, we are tremendously grateful to work alongside mission-driven lenders committed to making a difference. We realize you may be experiencing information overload related to Coronavirus updates, but feel that it is important for our lenders to hear what NADCO is doing on the regulatory and legislative side to support your operations, and to learn what CDC’s can do to further promote relief efforts for small business.

A number of bills have been and will continue to be introduced as part of overall Federal relief appropriations. Many lenders are aware of the draft legislation introduced by Senator Rubio, which is focused specifically on working capital for small business through the 7a program. Congresswoman Velasquez and Senator Cardin have also proposed actions impactful to small business recovery. Potential legislation providing interest and fee payments to lenders during deferment periods is also being considered. NADCO strongly supports these efforts.

NADCO has been working with leadership staff in the House and Senate Small Business Committees on program improvements to help prospective and current borrowers.

Our top three priorities are:

1. **Relaxation of restrictions in refinancing requirements** to allow more small businesses to access low-cost fixed rate financing; and further to direct SBA to allow for refinancing of a senior loan on any existing 504 loan up to 90% LTV

2. **Fee relief for borrowers** with reimbursement to CDC’s of waived fees

3. **Launch of a 504 express program** for loans under $500,000
NADCO has submitted a number of other proposals to address the crisis and will continue to forward industry suggestions for stimulating small business lending and providing relief to current borrowers.

NADCO staff is working with SBA on a daily basis to address policy and process issues related to deferments, no adverse change certification, SLPC capacity, wet signature requirements, and appraisal requirements. Efforts are ongoing and the industry will be notified as changes are made. NADCO is still collecting information on deferment requests, but data from the first 50+ CDC’s to respond reflects a staggering 1400 deferment inquiries in the first week of the crisis.

**Your voice is critical in our efforts to move our agenda forward.** Here is a letter sent by the NADCO Executive Committee to the leaders of the committees. We are asking that you personalize the message and reach out to your congressional representatives to make our voices heard. Our small businesses deserve our best efforts to not only help them survive, but to thrive coming out of this crisis. Please continue to relay your small business stories to NADCO and know that your trade organization is working hard on your behalf. If you have concerns or ideas, call or email NADCO, your regional directors, or any member of the board.

Sincerely

Catherine Riddle
Chairman of the Board, National Association of Development Companies