April 13, 2020

The Honorable Marco Rubio
Chairman
Committee on Small Business & Entrepreneurship
United States Senate
Washington, DC 20510

The Honorable Ben Cardin
Ranking Member
Committee on Small Business & Entrepreneurship
United States Senate
Washington, DC 20510

The Honorable Nydia Velazquez
Chairwoman
Committee on Small Business
U.S. House of Representatives
Washington, DC 20515

The Honorable Steve Chabot
Ranking Member
Committee on Small Business
U.S. House of Representatives
Washington, DC 20515

Dear Chairman Rubio, Ranking Member Cardin, Chairwoman Velazquez, and Ranking Member Chabot:

We write on behalf of the National Association of Development Companies (NADCO), our 200 Certified Development Company (CDC) members and 120,000 plus small business owners across the country who depend on their local CDC lender for support in times of economic uncertainty – to implore you to make sure the next COVID-19 relief bill sent to the President’s desk includes flexible SBA 504 financing tools.

As mission driven, community-based lenders CDCs are uniquely positioned to support and sustain businesses in this crisis. But to be effective CDCs need the right tools in the form of a more flexible and responsive SBA 504 program and we need Congress to include the following provisions in the next bill considered by Congress:

- **Expanded authority to refinance debt with the 504 Loan Program;**
- **Eliminate 504 Loan Program fees and ensure reimbursement of waived fees; and**
- **Authorize an expedited 504 for business loans of $500,000 or less.**

As leaders of the House and Senate Small Business Committees we appreciate the work that you and your staff are doing to protect and support small business owners and their employees during this unprecedented crisis. Already, the small business debt relief provided in the CARES Act has delivered critical relief to CDC borrowers and we will continue to share stories from grateful business owners it helped. And our member CDCs that are also Community Advantage (CA) lenders have been able to get Paycheck Protection Program (PPP) loans approved over the last week even as we continue working with SBA to make sure all CDC businesses can access PPP loans.

We welcome the opportunity to work with you and the SBA on new and innovative ways to support businesses in crisis, but it is also critical that Congress continue to invest in trusted and proven SBA financing tools. To that end, we ask that the next COVID-19 relief bill includes the flexible SBA 504 financing tools we need to do our job.

Sincerely,

Rhonda Pointon
President & CEO

Catherine Riddle
NADCO Chairman of the Board