



JAMES D. MACPHEE
Chairman
SALVATORE MARRANCA
Chairman-Elect
JEFFREY L. GERHART
Vice Chairman
JACK A. HARTINGS
Treasurer
WAYNE A. COTTLE
Secretary
R. MICHAEL MENZIES SR.
Immediate Past Chairman

CAMDEN R. FINE
President and CEO

July 15, 2010

The Honorable Harry Reid
Senate Majority Leader
U.S. Senate
Washington, DC 20510

The Honorable Mitch McConnell
Senate Minority Leader
U.S. Senate
Washington, DC 20510

Dear Majority Leader Reid and Minority Leader McConnell:

On behalf of the nearly 5,000 members of the Independent Community Bankers of America, I write to urge you to retain the Small Business Lending Fund (SBLF) in the Small Business Jobs Act (HR 5297). The SBLF is the core component of this legislation and the provision that holds the most promise for small business job creation in the near term. Failure to even consider the SBLF in the Senate would be a missed opportunity that our struggling economy cannot afford.

The nation's nearly 8,000 community banks are prolific small business lenders with the community contacts and underwriting expertise to get credit flowing to the small business sector. The SBLF is a bold, fresh proposal that would provide another option for community banks to leverage capital and expand small business credit. The \$30 billion fund could be leveraged to provide as much as \$300 billion of credit.

What's more, the structure of the SBLF program will create a powerful incentive for community bank recipients to lend. Banks that increase their small business lending will get a lower dividend rate, as low as 1 percent for banks that increase their lending by 10 percent. Banks that do not increase their lending will pay a higher dividend rate, as high as 7 percent. The SBLF proposal has all of the features needed to attract broad participation by community banks. I expect this credit to have a strong impact on the recovery, job growth and greater tax revenues flowing back to the federal, state and local governments.

Again, please retain the SBLF in HR 5297. Thank you for your consideration.

Sincerely,
/s/
Camden R. Fine
President and CEO

cc: Sen. Mary Landrieu, Chairwoman, Committee on Small Business and Entrepreneurship
Sen. Olympia Snowe, Ranking Member, Committee on Small Business and Entrepreneurship