



Mission Lenders Working Group

July 18, 2023

The Honorable Ben Cardin
Chair, U.S. Senate Committee on Small Business &
Entrepreneurship
United States Senate
Washington, D.C. 20510

The Honorable Joni Ernst
Ranking Member, U.S. Senate Committee on Small
Business & Entrepreneurship
United States Senate
Washington, D.C. 20510

Dear Chairman Cardin and Ranking Member Ernst,

The Mission Lenders Working Group (MLWG), the only national organization representing 7(a) Community Advantage lenders, offers our support for the Community Advantage (CA) Loan Program Act of 2023. We also want to applaud your leadership in crafting a bipartisan bill that will increase SBA backed lending to businesses in rural and underserved communities by codifying the Community Advantage Program, which has been operating successfully as a pilot since 2011.

The CA pilot was designed to reach underserved markets that historically lacked access to SBA-backed loans. SBA recognized the unique capacity and experience of nontraditional lenders – particularly SBA Microloan Intermediaries, SBA Certified Development Companies (CDCs) and Treasury-certified Community Development Financial Institutions (CDFIs) – to finance businesses that conventional 7(a) lenders were unable to reach. CA lenders act as agents of change in the communities they serve by intentionally making capital accessible to support and sustain underserved and underbanked small businesses and entrepreneurs. CA lenders provide the ‘on-ramp’ that enables entrepreneurs to access and climb the ladder of economic opportunity and build generational wealth.

SBA data reveals that since 2011, CA lenders have outperformed conventional 7(a) lenders in reaching and financing a broad range of underserved businesses, including start-ups, Veteran-Owned, Women-Owned, Black-Owned, and Hispanic-Owned businesses. In response to the COVID-19 pandemic, the CA lender infrastructure established by the SBA nearly a decade ago allowed experienced lenders to deliver much needed relief to underserved small businesses in the second and third rounds of Paycheck Protection Program (PPP) funding.

stand ready to work with you to ensure that this bill fulfills its promise to America’s small business owners.

Sincerely,

The Mission Lenders Working Group