

**Waters Amendment (#4) to the Views and Estimates of the Committee on
Financial Services on Matters to be Set Forth in the Concurrent
Resolution on the Budget for Fiscal Year 2019**

Offered by Ms. Waters of California

On page 14 after line 42 insert the following:

Supporting Small Businesses

Small businesses are the engines of the American economy, and access to affordable credit is generally essential for any business to form, grow and succeed. The Committee fully supports several government programs that have a demonstrated track record of helping these businesses grow: the Community Development Financial Institutions (CDFIs) Fund, the State Small Business Credit Initiative, and the Community Development Block Grant Section 108 Loan Guarantee Program.

The Committee urges full funding for the CDFI Fund, which has had a growing impact across the country by giving private institutions access to the capital needed to extend credit and provide financial services to communities, especially those in lower-income and traditionally underserved areas. According to a Federal Reserve survey, the approval rate for small businesses that applied for loans or lines of credit from CDFIs was 77 percent, which was higher than at online lenders, credit unions or banks of any size. The Committee also strongly supports reauthorizing the successful State Small Business Credit Initiative (SSBCI), which from 2011 to 2016 reportedly created or saved more than 240,000 jobs and supported new financing totaling \$10.7 billion. The Committee also recommends fully supporting the Section 108 Loan Guarantee Program ("Section 108"), which starts with robust funding for the Community Development Block Grant (CDBG) program, a portion of which is pledged each year to guarantee Section 108 loans. Section 108 which is an important program that provides communities across the country with a source of financing for economic development, including support for small businesses in distressed communities targeted for revitalization.

In order to promote transparency about the business lending patterns and practices, the Committee urges the Consumer Bureau to quickly implement section 1071 of Dodd-Frank to collect and make publicly available information about credit applications made by small businesses and minority-owned or women-owned businesses. This small business loan data will enable both the public and government to hold creditors' accountable for any credit discriminatory practices and better inform efforts to improve small business lending.