



November 14, 2025

The Honorable Roger Williams
Chairman
Committee on Small Business
United States House of Representatives
2361 Rayburn House Office Building
Washington, D.C. 20515

The Honorable Nydia M. Velázquez
Ranking Member
Committee on Small Business
United States House of Representatives
2361 Rayburn House Office Building
Washington, D.C. 20515

The Honorable Jimmy Patronis
United States House of Representatives
Washington, D.C. 20515

The Honorable Derek Tran
United States House of Representatives
Washington, D.C. 20515

Representative Tran, Representative Patronis, Chairman Williams and Ranking Member Velázquez:

I write on behalf of the National Association of Development Companies (NADCO) and the Certified Development Company (CDC) lending industry in support of the *504 Program Risk Oversight Act* (H.R. 5788).

CDCs deliver the Small Business Administration's (SBA's) 504 Loan Program in a unique partnership with private sector lending partners to spur local economic development and job creation. The loan structure includes two layers of diligent underwriting, which paired with robust oversight by the Office of Credit Risk Management (OCRM), and collaboration between industry and SBA, have shaped a high performing program. According to SBA, as of August 31, 2025, the program boasted a one-year charge off rate of 0.07 percent.

The CDC lending industry is proud of the 504 Loan Program's performance and is invested in its longevity and availability to the small businesses it serves. As a federal program, transparent data is the cornerstone of a productive partnership between SBA, Congress, and industry and the work we do collectively to keep the 504 Loan Program healthy.

We appreciate your proactive efforts to ensure the 504 Loan Program remains available for years to come, and the leadership of Chairman Williams and Ranking Member Velázquez for holding this markup and advancing this important legislation.

Sincerely,

A handwritten signature in black ink, appearing to read "Rhonda D. Pointon", is written in a cursive style.

Rhonda D. Pointon
President & CEO
National Association of Development Companies (NADCO)