



**DCUC**  
DEFENSE CREDIT UNION COUNCIL

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**Jason Stverak**  
Chief Advocacy Officer

April 20, 2026

**The Honorable Roger Williams**

Chairman  
House Committee on Small Business  
U.S. House of Representatives  
Washington, DC 20515

**The Honorable Nydia Velázquez**

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

Dear Chairman Williams and Ranking Member Velázquez:

On behalf of the Defense Credit Union Council (DCUC) and the defense credit unions we represent, I write in advance of your hearing entitled “**Independent Work, Real Opportunity: The Gig Economy and the Future of Entrepreneurship**” to highlight a critical and persistent challenge facing our nation’s veterans: access to capital to start, sustain, and scale small businesses in today’s evolving economy.

Veterans are uniquely positioned to succeed in entrepreneurship. They bring leadership, discipline, and mission-oriented focus developed through service. Yet despite these strengths, they face disproportionate barriers when attempting to access the capital necessary to launch or grow a business.

These barriers are structural and persistent. Many veterans transition to civilian life without established business credit profiles or with credit histories disrupted by frequent deployments and relocations. Others lack traditional collateral due to years of military mobility. For those entering entrepreneurship immediately after service, there is often a gap in stable income history—something traditional underwriting models heavily rely upon. As a result, even highly capable veteran entrepreneurs are frequently denied access to affordable financing or pushed toward higher-cost alternatives.

These challenges are further intensified by the rapid growth of the **gig economy and independent work models**. Increasingly, veterans are pursuing entrepreneurship through flexible, non-traditional pathways, whether through contracting, logistics, rideshare, consulting, or digital platforms. While these opportunities align well with military skillsets, they also expose a fundamental mismatch in the financial system.

Traditional lending frameworks are not designed for **non-linear income streams, short operating histories, or platform-based earnings**. Veterans participating in the gig economy often cannot demonstrate the predictable income patterns required by conventional lenders, even when their earning potential and business viability are strong. This disconnect leaves many veteran entrepreneurs underserved at precisely the moment they are attempting to build financial independence.

At the same time, veteran participation in small business ownership has declined in recent years—driven in part by these persistent capital constraints. This is not a lack of ambition. It is a failure of policy to keep pace with the realities of today’s economy.

Credit unions—particularly those serving military and veteran communities—are uniquely equipped to bridge this gap. They understand the financial realities of servicemembers and specialize in relationship-based lending that evaluates the full picture of a borrower—not just rigid metrics.

*Serving Those Who Serve Our Country*

However, outdated federal policy continues to limit their ability to meet this need.

Under current law, federally chartered credit unions are subject to a statutory Member Business Lending (MBL) cap of 12.25 percent of assets, regardless of institutional strength or borrower creditworthiness. This arbitrary limit forces credit unions to turn away qualified veteran entrepreneurs, not because of risk, but because of an outdated ceiling that fails to reflect modern economic conditions.

DCUC has consistently raised this issue in prior communications to Congress and this Committee. The MBL cap is not merely a regulatory constraint, it is a direct barrier preventing veteran entrepreneurs from accessing responsible, affordable credit.

That is why DCUC strongly urges the Committee to advance the bipartisan **Veterans Member Business Loan Act (H.R. 507 / S. 110)**.

This legislation provides a targeted, commonsense solution by exempting loans made to veteran-owned small businesses from the MBL cap while maintaining all existing safety and soundness standards. It requires no taxpayer funding and creates no new federal programs. Instead, it allows credit unions to deploy their own capital to meet the needs of veteran entrepreneurs particularly those operating in the gig economy and other emerging sectors of independent work.

Importantly, this effort is not being advanced by DCUC alone. **The American Legion, one of the nation's most respected voices for veterans, has strongly supported this legislation**, recognizing its importance in expanding economic opportunity and reducing barriers for those who have served. This broad-based support underscores the real-world impact and urgency of this policy solution.

The impact of this reform would be immediate and meaningful:

- Expanded access to affordable capital for veteran entrepreneurs
- Greater participation in the gig economy and modern business models
- Increased economic mobility for transitioning servicemembers
- Stronger local economies through job creation and growth

Empowering veterans to succeed in entrepreneurship—whether through traditional small businesses or independent work—is both sound economic policy and a moral obligation. Those who served our nation should not face outdated and unnecessary barriers when pursuing opportunity in the civilian economy.

DCUC and our member credit unions stand ready to do more. We have the capital, the expertise, and the commitment to serve—but we need Congress to remove the constraints that limit our ability to act.

We respectfully urge the Committee to use this hearing to highlight these challenges and advance practical, bipartisan solutions like the Veterans Member Business Loan Act.

Thank you for your leadership and continued focus on supporting America's veteran entrepreneurs.

If you have any questions or would like additional information, please contact me at [Jason.Stverak@dcuc.org](mailto:Jason.Stverak@dcuc.org) or 202.557.8528.

Sincerely,



Jason Stverak  
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