

August 21, 2020

The Honorable Mike Crapo  
Chairman  
U.S. Senate Committee on Banking,  
Housing and Urban Affairs  
534 Dirksen Senate Office Building  
Washington, D.C. 20510

The Honorable Sherrod Brown  
Ranking Member  
U.S. Senate Committee on Banking,  
Housing and Urban Affairs  
534 Dirksen Senate Office Building  
Washington, D.C. 20510

Dear Chairman Crapo and Ranking Member Brown:

I write to you on behalf of the National Cooperative Business Association CLUSA International (NCBA CLUSA) to support the Jobs and Neighborhood Investment Act (S.4255). NCBA CLUSA is the apex trade association for cooperative businesses in the United States across all sectors of the economy. One in every three Americans is a member of at least one of the more than 65,000 cooperatives in the country.

Cooperative businesses are a particularly useful tool to create economic opportunity in traditionally under-served communities, especially communities of color and rural communities, and typically have a higher presence in these communities. Co-ops in low-income and minority communities historically have had a more difficult time accessing financial services from large and even regional banks. As a result, many worker and consumer co-ops depend upon the services of credit unions, Community Development Financial Institutions, and Minority Depository Institutions to access the capital and financing necessary to start and grow their cooperative. These institutions played an essential role as lenders administering Paycheck Protection Program loans. PPP, while not without its flaws, was instrumental in providing immediate support to small cooperatives, but further assistance is needed.

Like small businesses across the country, thousands of cooperatives are struggling to weather the economic crisis brought on by COVID-19. NCBA CLUSA believes that S.4255 would create and enhance critical tools for the lending institutions upon which many cooperatives depend to develop flexible, affordable programs to help small businesses get through these challenging times and plan for the long-term success.

The economic impacts of COVID-19, like the health impacts, have had a disproportionate effect on low income and minority communities. It is critical that the federal government invest in financial institutions like CDFIs and MDIs that reach these communities and help entrepreneurs get through this crisis. S.4255 has earned strong, bipartisan support because it leverages the strengths of CDFIs to continue to provide essential financial services to small businesses in low-income and minority communities. I strongly urge you to swiftly pass this important legislation to help thousands of small businesses get the financial assistance that is greatly needed at this time. Thank you for your consideration of this request.

In cooperation,



Doug O'Brien  
President and CEO

cc: Chairwoman Maxine Waters, U.S. House Committee on Financial Services  
Ranking Member Patrick McHenry, U.S. House Committee on Financial Services