

Coffman Introduces Resolution to Help Small Businesses and Community Banks

(WASHINGTON, D.C.) — **Rep. Mike Coffman (R-Aurora)** has introduced a resolution in the U.S. House of Representatives drawing attention to the need for lawmakers to help reconcile the conflicting messages community-based financial institutions are receiving from elected officials and regulators. H. Res. 943 calls for appropriate regulatory forbearance for community-based financial institutions that will help free up much needed capital for lending to our nation's small businesses. To date, efforts, including the TARP legislation, have focused on large institutions deemed "too big to fail" rather than community banks which do the majority of lending to our nation's small businesses.

In a letter sent to colleagues soliciting support for the resolution, Rep. Coffman stated, "Recent discussions in Congress and the Administration have centered on the need to increase lending to the small businesses that will help arrest this economic downturn. Unfortunately, conflicting statements from policymakers and regulators have left many financial institutions in a state of uncertainty and hesitant to increase lending."

Banks continue to be told that they need to increase lending to small businesses by elected officials. At the same time regulators have sent a conflicting message by requiring these same community based institutions to increase capital reserves, reducing their ability to lend to small businesses.

"The lion's share of federal assistance has gone to those institutions deemed "too big to fail" while the smaller, community-based institutions have been left to deal with the stricter regulatory environment while not posing a "systemic risk" to our economic health," the letter continued.

The resolution calls for regulators to adopt policies similar to those adopted in the mid-to-late 1980's and has been endorsed by the following organizations: **Independent Community Bankers of America, National Federation of Independent Businesses, National Small**

**Business Association, Colorado Association of Commerce and Industry,
and
Independent Bankers of Colorado.**

To see the resolution, [click here](#) .

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