July 16, 2026

The Honorable Nydia Velázquez
Ranking Member
Committee on Small Business
U.S. House of Representatives
Washington, D.C. 20515

Re: Support for the 7(a) Program Risk Oversight Act

Dear Ranking Member Velázquez:

On behalf of the Independent Community Bankers of America (ICBA) and the nearly 45,000 community bank locations we represent, I write to express support for the 7(a) Program Risk Oversight Act.

The Small Business Administration, with the oversight of the Small Business Committee, plays an important role in allowing community banks to lend to borrowers that do not yet qualify for conventional credit. The 7(a) program is an example of a successful public-private partnership in support of small business. While conventional bank credit should always be the first choice, SBA guaranteed bank lending is effectively a "lender of last resort" for those small businesses that are not yet ready to qualify for conventional credit. Fully funded by loan fees, it comes at zero cost to the taxpayer. Community banks are important users of the 7(a) program and have a strong stake in a program that is healthy and free of fraud.

The Act is an important step toward promoting transparency in the 7(a) loan guarantee program. Establishing more detailed annual reporting by the SBA's Office of Credit Risk Management will enhance transparency and the availability of granular risk data to further strengthen the 7(a) program.

Thank you for introducing this important legislation.

Sincerely,
/s/
Rebeca Romero Rainey
President & CEO

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