

ROBERT MENENDEZ
NEW JERSEY

COMMITTEES:
BANKING, HOUSING, AND URBAN
AFFAIRS
BUDGET
ENERGY AND NATURAL RESOURCES
FOREIGN RELATIONS

United States Senate

WASHINGTON, DC 20510-3005

317 SENATE HART OFFICE BUILDING
WASHINGTON, DC 20510
(202) 224-4744

ONE GATEWAY CENTER
11TH FLOOR
NEWARK, NJ 07102
(973) 645-3030

208 WHITE HORSE PIKE
SUITE 18-19
BARRINGTON, NJ 08007
(856) 757-5353

January 25, 2009

Ms. Sara Bluhm
Assistant Vice President
NJ Business & Industry Association
102 West State Street
Trenton, NJ 08608

Dear Ms. Bluhm:

Small businesses throughout this great state and nation run the economic engine that has led to so much prosperity. In fact over the past fifteen years, small businesses generated nearly two-thirds of new jobs. If our nation is to emerge from the worst recession since the Great Depression, there can be no doubt that small business will play a critical role in our economic turnaround. That is why I'd like to take this moment to let you know about the initiatives I'm working on to aid small businesses during these especially difficult times.

During this tumultuous period, Congress has taken unprecedented steps to stabilize the financial markets, thaw the credit-freeze, and put families back to work. As your United States Senator, I voted in favor of the Troubled Assets Relief Program to keep financial markets afloat and helped craft an economic recovery package that put families back to work, extended unemployment, offered COBRA subsidies so families could afford to stay insured, and provided \$730 million to assist small businesses. The funds appropriated to the U.S. Small Business Administration (SBA) eliminated fees for borrowers and guaranteed loans up to 90% to incentive lenders to keep credit flowing. Furthermore, Congress directed the SBA to create the America's Recovery Capital (ARC) loan program to help small businesses affected by the recession to meet existing debt payments. Despite all these efforts, I believe the federal government must do more to support the small business community.

To that end, I have introduced the Credit Retains Employees and Triggers Economic (CREATE) Growth and Jobs Act to authorize the SBA to make \$20 billion in direct loans to small businesses for the purposes of expansion, inventory purchases, payroll expenses, and other vital business operations. With a repayment period of 25 years, these loans will be capped at \$1.5 million and carry an interest rate of 4.75 percent above the prime rate. Based on statistics compiled by the SBA on its 7(a) program, the CREATE Growth and Jobs Act could potentially save or create more than 1.1 million jobs during its two-year authorization.

As we move forward through these trying economic times, I hope to hear your feedback about the CREATE Growth and Jobs Act and other initiatives that can spur economic growth and increase lending to your members. My door is always open to you and your members, especially as we work to emerge from this recession stronger than before. Please feel free to contact Ryan Carbain, Project Specialist at 856-757-5353 with any thoughts or concerns.

Finally, I hope to see many of you at the Chamber Dinner later this week. I very much look forward to welcoming you to our nation's capital.

Sincerely,



ROBERT MENENDEZ
United States Senator