

Rep. Peter Welch on Tuesday hailed President Obama's plan to increase small business lending and support community banks.

While visiting Nashua, N.H., Obama unveiled a new Small Business Lending Fund that would invest \$30 billion from the Troubled Asset Relief Program (TARP) into local economies by incentivizing lending programs at community banks.

Welch has spent the last month holding small business roundtables throughout Vermont, soliciting feedback from local business owners about how to reinvigorate the economy and create jobs. In January he introduced legislation that would create a new Small Business Administration direct-lending program financed by a 50 percent tax on bonuses exceeding \$50,000 at TARP-supported firms.

"As I've met with small business owners from St. Albans to Bennington and White River Junction to Rutland, the number one thing I've heard is that Vermont businesses need access to credit," Welch said. "As Wall Street banks have turned their back on small business lending, Vermont's community banks have stepped in to support their local economies. The President's plan will provide much-needed support to those who do the most to create jobs and rebuild our economy."

Obama's Small Business Lending Fund, which requires Congressional approval, would apply to small- and medium-sized banks with assets under \$10 billion. These banks are responsible for more than 50 percent of small business loans nationwide, though they make up only 20 percent of all bank assets.