



**House Committee on Small Business**  
**Hearing: “Access to Capital: Can Small Businesses Access The Credit Necessary To Grow and Create Jobs?”**  
**June 1, 2011**

Good afternoon. I call this hearing to order.

As America seeks to recover from the worst recession since the great depression, we will be relying on our nation’s small businesses to help lead the way. For businesses to expand and create jobs, they need adequate financing. However, small businesses are telling us that access to capital remains a hurdle in the current economy, despite rallies on Wall Street and government efforts to loosen credit.

On the other side of the equation are lenders who say that they have capital available, but businesses are not as credit-worthy as they were just a few years ago. Banks claim that today’s borrowers have lower credit scores and lower collateral values due to depressed real estate values.

If we want our nation's entrepreneurs to grow their businesses and create jobs, we will need to bridge the gap between lenders and small business borrowers.

We have called this hearing today to examine the challenges that both small businesses and banks are facing when deciding to expand or to lend money. In addition, we are going to examine alternative kinds of financing for small business and the avenues available for businesses to get the capital they need.

I am pleased to have several distinguished witnesses here today to provide members of this committee with insight about the importance of capital for small businesses and the impediments to lending that banks are experiencing.

With that, I yield to Ranking Member Velazquez for her opening statement.