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Congress of the United States
House of Representatives

Washington, DC 20515

September 21, 2012

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The Honorable Karen Mills, Administrator
U.S. Small Business Administration
409 3rd Street, SW
Washington, DC 20416

Dear Administrator Mills:

We are writing to ask the Small Business Administration (SBA) to expedite the reinterpretation of regulations that prohibit food cooperatives from accessing SBA lending programs. Consistent with the Administration's commitment to removing unnecessary regulatory barriers for small businesses, we believe that a reinterpretation of the existing SBA regulation is in order, and we ask you to publicly commit to such a reinterpretation as soon as possible.

Today's food cooperative community has evolved from 1960s-era buying clubs: today they are tax-paying, incorporated businesses that contribute more than 12,000 jobs and \$1.4 billion in annual sales to local economies throughout the United States. In addition to being stable members of local business communities, food cooperatives provide the consuming public with an important source of locally-produced healthy food. And, just like small businesses everywhere, they need access to capital for growth and expansion.

In the last three years, an impressive 61 food cooperatives have opened for business across the United States, and several hundred more are in varying stages of planning and organization. These are small businesses, local employers, grounded in local economies. Even in their first years of operation, these new cooperatives will be the source of hundreds of jobs and millions of dollars in annual sales. Yet none of these new small businesses have been able to apply for SBA lending because of the prevailing interpretation of the SBA regulation prohibiting lending to food cooperatives.

We need a resolution clarifying that food cooperatives do, in fact, meet the eligibility standards for SBA lending, and can take advantage of SBA loans just like other small businesses. The United Nations has designated 2012 as the International Year of Cooperatives, and the U.S. cooperative community annually celebrates October as Co-op Month. We can think of no better way to celebrate both occasions in October 2012 than with a public announcement by the SBA that the regulations barring access to SBA lending programs are being reinterpreted on an expedited basis. Thank you for your prompt attention to this important issue.

Sincerely,



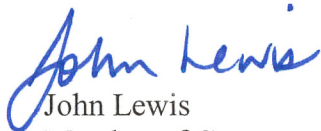
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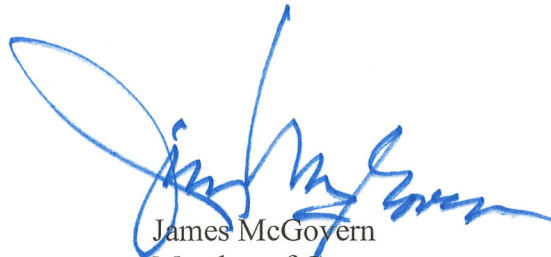
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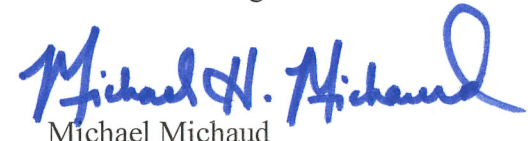

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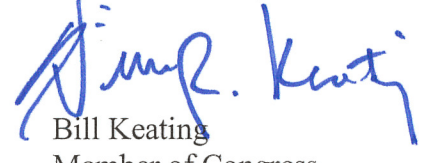

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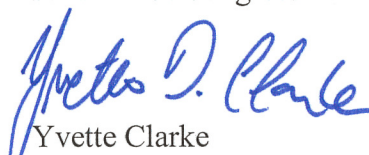

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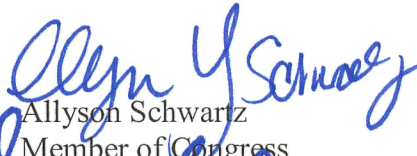

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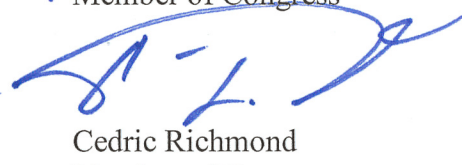

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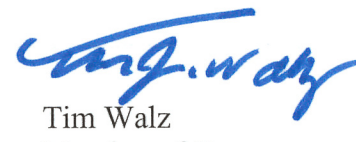

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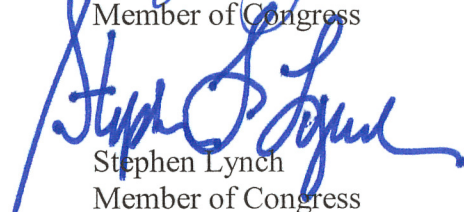

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