



NEWS FROM **CONGRESS**

FOR IMMEDIATE RELEASE
Wednesday January 27, 2010

LEVIN CONTACT: Alan Mlynek
202.225.4961
DINGELL CONTACT: Adam Benson
202.225.0881
PETERS CONTACT: Cullen Schwarz
202.225.5802

Levin, Dingell, Peters Call for Greater Access to Credit for Manufacturers

*Legislation will help firms expand, compliments proposals from President
Obama*

(Washington, D.C.) – Representatives Sander Levin, John Dingell, and Gary Peters announced today that they will be introducing legislation to help manufacturers to access the financing they need to expand, diversify, and hire new workers. President Obama has made access to credit a central priority of economic recovery efforts and is expected to address the issue during tonight’s State of the Union.

The *Manufacturing Modernization and Diversification Act* utilizes a credit support model that the Michigan Economic Development Corporation has successfully used to help manufacturers diversify their businesses. The bill would give states the resources to partner with financial institutions to directly address the cash flow and collateral problems that are preventing too many manufacturers from accessing credit.

Six governors recently wrote to Treasury Secretary Timothy Geithner calling on the Administration to make funding available for such a program. Their letter is available [here](#).

“I think the President will make clear tonight that helping small businesses access credit is central to job creation,” said Rep. Levin. **“It’s vital that we recognize the unique challenges that manufacturers face in obtaining credit right now. Their cash flows and collateral have been hit hard by the recession, and we must ensure that any small business lending plan addresses these challenges.”**

“Our manufacturers and entrepreneurs, the best in the world, are being forced to sit on their hands right now. Without new lines of credit, they’re unable to expand and hire new workers, and cannot seize opportunities before them to create jobs and prosperity,” said Rep. Dingell. **“The President has averted a depression, but without projects like this to expand our economy, we can’t fully recover. This is a good plan and I look forward to working with my Michigan colleagues to get this bill onto the President’s desk.”**

“During the field hearing we held on small business lending in November and in conversations with business owners throughout Southeast Michigan, I hear time and again that a lack of small business lending is a major impediment to creating jobs in Michigan,” said Rep. Peters. “Large banks have admitted they are not lending to Michigan manufacturers. Unlocking capital for small businesses is critical to creating a climate of job creation in Michigan.”

A fact sheet on the proposed legislation is attached and available [here](#).

###