



U.S. BLACK CHAMBERS, INC.

The National Voice of Black Business

**Not affiliated with the National Black Chamber of Commerce*

July 9, 2015

The Honorable Ed Royce
2310 Rayburn House Office Building
Washington, DC 20515

The Honorable Rubén Hinojosa
2262 Rayburn House Office Building
Washington, DC 20515

Dear Congressmen:

On behalf of the U. S. Black Chambers, Inc. (USBC), I am writing in support of H.R. 347, the Facilitating Access to Credit Act of 2015. Your leadership is needed to help remove regulatory barriers that are preventing consumers from being able to access innovative and legitimate credit education. This legislation will enable small minority business owners to obtain specific tools to improve their credit reports and scores.

The Credit Act is important to the USBC because of our mission to advocate for small minority business owners, specifically black owned companies and organizations. The first item that needs to be accomplished is the development of programs and initiatives that work with small business owners on their *personal* credit history. This must be addressed before there are efforts made to show them how to establish their business credit. Even though, our nation continues to climb out of the economic recession, there are many small minority business owners and aspiring entrepreneurs who still encounter significant credit challenges that prevent them from having access to capital.

The USBC is reaching out to establish relationships with the major credit reporting agencies to assist and provide resources to small business owners. However, the Credit Repair Organization Act (CROA) prevents agencies from easily providing credit education and applicable information to business owners. This law causes a delay of three to five days and requires the review of many intimidating and confusing documents. The delayed information and muddled language poses a time-constraint for many business professionals who are trying to start an operating and fully functional company.

The USBC has been working for the past two years on a major initiative for small business owners. The U.S. Black Chambers, Inc. has partnered with University of Phoenix to provide a 15 week program of intensive training, education and resources for small business owners already in operation. The ultimate goal is to show them how to build a successful business and gain access to capital. This 15 week commitment gains the business owners inside knowledge and hands on experience of the industry,

proving they are devoted and bound to their craft. Once completed, this program makes them more “bankable”. An important element of this initiative that the USBC hopes to highlight is helping these individuals establish and build personal and business credit.

For the past twenty years, CROA has been an important consumer protection law that guards consumers from credit repair scams making false claims to improve their credit for significant fees. However, recent court decisions have applied the law more broadly and created a barrier to the development of innovative, legitimate credit education. It prevents credit bureaus — those best positioned to help in this area — from providing personalized, legitimate steps on how consumers can improve their score.

Amending this law would provide tangible benefits for consumers. According to industry research, there are more than 23 million consumers who could move to a prime credit score by increasing their score by an average of 20 points.

This bill has received on-the-record support from the National Black Caucus of State Legislators, the U.S. Hispanic Chamber of Commerce, the National Hispanic Caucus of State Legislators and the National Bankers Association. Today, I offer the support of the USBC.

I commend you on your leadership on this important issue and encourage you to continue to push for passage of H.R. 347. This is essential for growing our economy, protecting consumers and ensuring that small business owners have access to affordable credit.

In the Spirit of success,



Ron Busby