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**SENATOR WARNER ANNOUNCES NEW FDIC HOTLINE TO HELP VIRGINIA SMALL
BUSINESSES ACCESS CREDIT**

~ Hotline provides "second look" for denied loans, referrals to add'l. resources ~

ARLINGTON – U.S. Sen. Mark R. Warner today announced that the Federal Deposit Insurance Corporation (FDIC) has established a new [hotline](#) to help small businesses struggling to access credit. The hotline was announced today by FDIC Chair Sheila C. Bair at a small business forum with Senator Warner and Federal Reserve Chairman Ben S. Bernanke held at George Mason University in Arlington.

Senator Warner urged Chairman Bair to create this new hotline for businesses to call if they feel their loan was denied or reduced because a bank examiner was being too cautious. Businesses who call this hotline can have a second look taken at their loans to make sure that bank examiners are not standing in the way of otherwise responsible lending decisions.

Small businesses that have concerns or complaints about their financial institution can contact this new Small Business Hotline at **1-855-FDIC-BIZ**, or **1-855-334-2249**. FDIC personnel will respond to these inquiries and investigate complaints concerning FDIC-supervised financial institutions, and will refer small business owners to other government agencies and information resources.

"I am gratified that Chairman Bair and the FDIC have unveiled this new hotline for small businesses still struggling to access credit," Senator Warner said. "I have heard from a lot of Virginia bankers and small businesses about the somewhat mixed messages we're sending from Washington: while we want to increase small business lending, we also are encouraging more responsible lending by banks. The FDIC's 'second look' hotline will provide a new tool to make sure bank examiners in the field are not being more 'risk averse' than necessary if we truly want our economic recovery to catch hold."

Small businesses have been caught in a perfect storm with this recession: real estate values have declined, consumer spending has declined, and banks have been crunched for capital -- so they have reduced lending, Senator Warner said.

"As a credit risk, small businesses can look like a tough bet in this economy. Real estate has been a big source of collateral in the past, but those values are all depressed. Cash flows look

bad because of the cutbacks made by consumers,” Senator Warner said. “But just looking at these two things can create a self-fulfilling prophecy, so I appreciate Chairman Bair’s efforts to help us re-boot lending activity for small businesses.”

Senator Warner has been a champion in the Senate on behalf of Virginia’s small businesses. At his urging, the [2010 Small Business Jobs Act](#) strengthened U.S. Small Business Administration loan programs, allowing SBA to support more than 22,000 loans worth more than \$12 billion since October. Senator Warner also worked to bolster the [State Small Business Capital Access Program](#), a state-based program that improves access to credit by improving lenders’ ability to lend to businesses that may not otherwise qualify under conventional underwriting criteria. This strengthened CAP program is expected to encourage at least \$15 billion in additional small business lending.

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