



Small business owners. Small business values.

June 28, 2010

U.S. House of Representatives and U.S. Senate
Washington, DC

Re: Small business support for the Local Jobs for America Act

Dear Senators and Representatives,

On behalf of the Main Street Alliance, a national network of small business coalitions representing Main Street small business owners across America, we write to urge your support for the Local Jobs for America Act in the House and Senate. This proposal to create and save hundreds of thousands of jobs in the public and private sectors across the nation is a key strategy to restore the small business customer base and help small businesses contribute to the economic recovery.

Main Street small businesses have borne the brunt of the recession precipitated by the Wall Street financial crisis. While Wall Street firms benefited from bailouts, Main Street small businesses paid the price for the recession in lost business, frozen credit, and business bankruptcies. While important steps have been taken to turn the economy around, the recovery remains fragile. Our businesses continue to be on the front lines of this fight: small business owners are doing everything we can to keep people employed, create new jobs, and continue serving our communities. But we can't do it alone – smart fiscal policies have an important role to play.

We need an “all fronts” assault to tackle the unemployment problem, boost the recovery, and restore prosperity for small businesses and the communities we serve. Thawing frozen credit markets – by expanding small business lending through community banks, credit unions and the Small Business Administration, and also by refocusing commercial banks on basic lending instead of casino-style trading – is a necessary step, but not sufficient. Access to credit is one side of the small business recovery coin. But equally important is the urgent need to reinvigorate consumer demand. Without restoring the customer base that was decimated by the financial crisis when millions of jobs disappeared, unfreezing credit alone will leave small businesses in a sinking lifeboat without the engine of consumer demand to propel the recovery forward.

To promote a robust recovery, we need concerted action to create and save good-paying jobs that are the bedrock of the small business customer base. As state and local governments face gaping budget deficits, hundreds of thousands of these jobs – and the customer base they represent for small businesses – are on the line. That's why the Main Street Alliance supports the Local Jobs for America Act as an integral strategy to create jobs and bolster local economies.

We cannot afford to let misunderstandings about the economics of the deficit deter needed action on the jobs front. It is critical to distinguish and promote spending that will fuel economic recovery and

have a long term positive effect on the deficit equation. We can't fix the deficit problem without fostering a robust recovery, and we can't drive that recovery without taking the job creation bull by the horns.

The direct investments in job creation of the Local Jobs for America Act will help spur cycles of spending and business investment that put us on the path to deficit reduction. These investments will lead to higher income and payroll tax receipts, reduce spending on programs like unemployment insurance, and create at least 150,000 additional jobs indirectly (even by conservative estimates) through increased demand for goods and services. These are smart investments – investments we need to make to put our small business communities and our country back on a path to prosperity.

On behalf of the Main Street Alliance and the small business owners we represent, we urge you to support the Local Jobs for America Act as an important strategy to restore the small business customer base and give a much-needed boost to the economic recovery.

Sincerely,
Members of the Main Street Alliance National Leadership Council



Freddy Castiblanco
Terra 7 Train Café
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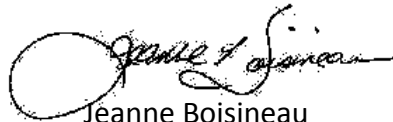
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