NO CAP.

Credit is Capital. Tell Congress: NO CAP on Credit.

CHAMBER & SMALL BUSINESS BRIEFING

THE SMALL BUSINESS CASE AGAINST THE 10% CAP

Powered by U.S. Black Chambers, Inc. · June 2026

85%

Of Americans could see credit lines eliminated or limited by proposed caps — that's 8 out of 10 entrepreneurs with personal credit cards with a credit score below 800

NO CAP Initiative · U.S. Black Chambers

$6T

Of U.S. consumer spending — including at local small businesses — runs on credit cards

Federal Reserve Bank of St. Louis

58%

Of small businesses regularly use credit cards — the most-used financing product

Federal Reserve SBCS, 2024

THE PROPOSED LEGISLATION

WHAT'S ACTUALLY BEING DEBATED.

Recently, politicians in Washington, DC on both the Left and the Right have begun discussing a legislative proposal to cap credit card interest rates at **10%**. While such a proposal sounds like a potential win for American consumers, a deeper examination of the data reveals a problematic policy with hidden costs that would disproportionately be borne by working families and small businesses.

THE SMALL BUSINESS CASE

WHY A CAP REDUCES ACCESS.

When lenders can't price for risk, they don't lend at a loss — **they stop lending to riskier borrowers**. The borrowers locked out are the ones the policy claims to help.

Founders with limited credit history and Year-One operations are first to lose access. When credit is priced out of reach for these borrowers, the policy widens the very gap it claims to close.

The borrowers pushed out don't disappear. They migrate to **merchant cash advances and payday lenders** — products with effective rates of 60%, 100%, sometimes higher. A consumer protection policy creates a consumer protection failure.

Protecting access isn't a partisan position. It's a small business position.

THE CORE REALITY

CREDIT IS NOT JUST DEBT. IT'S WORKING CAPITAL.

For many of our members, credit cards are not a luxury or a convenience — they are the primary revolving lines of credit used to survive cash-flow volatility and fund growth. The Federal Reserve found that **58% of small businesses regularly use credit cards**, making them the most commonly used financing tool for small firms.

Credit cards serve as the foundational stepping stones for minority entrepreneurs to establish a commercial credit footprint. For a Black business owner, credit means survival:

- → **Managing Volatility.** The capacity to cover two weeks of payroll when a client pays 45 days late.
- → **Sustaining Growth.** The ability to buy $40,000 worth of upfront inventory before customer revenue arrives to pay for it.
- → **Executing Opportunities.** The crucial bridge between winning a major contract and having the liquidity to execute on it.
- → **Surviving Crisis.** The difference between absorbing a supply chain disruption and shutting your doors because of one.

> "*Capping credit card rates may be well-intentioned, but the reality is it risks locking out those who already face the most hurdles. Let's craft smarter policies that lift up Black entrepreneurs, not lock them out.*"
>
> — AYANNA KHAN, FOUNDER & CEO, DELAWARE BLACK CHAMBER OF COMMERCE

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WHY USBC LEADS THIS FIGHT.

The U.S. Black Chambers, Inc. represents chambers in **all 50 states**. **3.5 million Black-owned businesses** generate **$249 billion in annual revenue**. The small business position is the position closest to the borrower — and the position most often missing from federal credit access policy debates. NO CAP exists to put that voice at the table, grounded in responsible lending, the path to becoming bankable, and the protection of the credit access that fuels growth.

FOR CHAMBER LEADERS

JOIN THE CHAMBER ACTIVATION LIST.

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- → Congressional contact lists for your district
- → Coordinated media moments & partnership opportunities
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FOR SMALL BUSINESS OWNERS

MAKE YOUR VOICE COUNT.

- → Share your credit story — policy is shaped by stories
- → Sign up for advocacy alerts & campaign updates
- → Contact your elected officials — constituent voices move votes
- → Follow & amplify #NoCap across your networks

GET INVOLVED → USBCNOCAP.COM

SOURCES: Federal Reserve Small Business Credit Survey, CFPB Consumer Credit Card Market Report 2025, SBA Office of Advocacy, U.S. Census Bureau. Full citations available in the NO CAP White Paper.