



# Connections

News from the Connecticut District Office

February, 2004

Marie A. Record, District Director

## In This Issue

- Pg. 1 Lending News
- Pg. 1. SBA FY 2005 Budget Request
- Pg. 2 SBA FY 2005 Budget Request cont.
- Pg. 2 SBA Tax Corner
- Pg. 3 Connecticut District Office  
Loan Volume By Lender As of  
01/31/04
- Pg. 3 Upcoming Events
- Pg. 4 Spotlight On – Connecticut

All of the SBA's programs and services are provided to the Public on a nondiscriminatory basis.

## Lending News

### Greta Johansson, Deputy District Director

Thank you all for your support and patience during the temporary suspension of 7(a) funding. Despite these hurdles we are 10% ahead of where we were last year at this time. That's a great accomplishment! However, we are looking to out-produce last year by 33% so we still have a challenge ahead.

Our liquidation and purchase portfolio is now at the new centralized center in Herndon, VA. All requests related to new purchases or actions on existing liquidation cases should be forwarded to that office (loans in regular servicing remain in the Little Rock

Servicing Center). The contact information for the new center is:

National Guaranty Purchase Center  
U.S. Small Business Administration  
Herndon Corporate Center  
1145 Herndon Parkway  
Herndon, VA 20170

Phone: (703) 487-9283 (temporary)  
Fax: (202) 481-4674  
Email: [loanresolution@sba.gov](mailto:loanresolution@sba.gov)

**Heads up** – we have been invited to host a lending meeting in conjunction with BankWorld again this year, so save April 27, 2004. Just a reminder, any time you would have called Bill Murray, please call me at 860-240-4672 or email [greta.johansson@sba.gov](mailto:greta.johansson@sba.gov).

## SBA FY 2005 Budget Request Reflects Commitment to Provide Capital for Small Businesses

The U.S. Small Business Administration announced a fiscal year 2005 budget request of \$678.4 million that increases loan authority for the agency's flagship lending program and strengthens the agency's most successful programs.

The budget requests \$12.5 billion in loan guarantee authority for the 7(a) program, a 30 percent increase over the FY 2004 requested level, building on the SBA's record-breaking 2003, which saw an historic number of loans granted under the 7(a) program.

"The SBA guaranteed a record number of loans last year, with double digit increases in the percentage of loans to women, Hispanics, African Americans and Asian Americans," said SBA Administrator Hector V.

## Cont. pg 1- SBA FY 2005 Budget Request

Barreto, "The budget request of \$12.5 billion will allow the SBA to build on the success we've had in this important loan program, and will provide more businesses with the capital needed to start up an expand."

The budget proposal also includes a zero subsidy rate for the 7(a) program, due in part to the expiration of a temporary fee reduction passed by Congress. The result is a funding structure that will add stability and independence to the program, which would no longer rely on an annual appropriation.

In an effort to provide more effective service to small businesses, the budget also includes funding for its core programs with an emphasis on making better use of these programs' extensive resources and well-developed infrastructures. Those program level include:

- \$12 million for Women's Business Centers
- \$88 million for Small Business Development Centers
- \$5 million for the SCORE program
- \$750,000 for National Women's Business Council
- \$750,000 for Veterans Outreach
- \$1.5 million for 7(j) technical assistance
- \$1 million for the Drug Free Workplace program

The budget also includes:

- \$4.5 billion program level for the 504 lending program with zero subsidy rate
- \$4 billion program level for the SBIC Participating Securities program with zero subsidy rate
- \$3 billion program level for the SBIC Debentures program with zero subsidy rate
- \$792 million program level for disaster loans

From SBA Press Release Number 14:06 dated February 2, 2004

## SBA's Tax Corner

The SBA has a new area of interest on the National website called, "Tax Corner". Tax Corner provides links to Federal tax information for small businesses. To gain access this information log on to: <http://www.sba.gov/taxcorner/index.html>.

Also, the Internal Revenue Service has a toll free telephone number set up specially to assist small businesses, corporations, partnerships and trusts that need information or help preparing business returns. This business and specialty tax line can be reached by calling 1-800-829-4933. A website for Small Business is also available at <http://www.irs.gov/businesses/small/>. A "Small Business Resource Guide," developed by SBA and the IRS, available on CD-ROM may also be obtained by visiting this website.

For Connecticut State tax information for small businesses visit <http://www.ct.gov/drs> or call Tax Payers Services at 1-800-382-9463.

## UP Coming Events

- Mar 11** Monthly 8(a); BD/SDB; and HUBZone Workshop  
10:00am – 11:00am at 330 Main St.  
2<sup>nd</sup> Floor, Hartford, CT  
For more information contact [Kathleen.jennings@sba.gov](mailto:Kathleen.jennings@sba.gov)
- Mar 12** Monthly How to do Business with the Federal Government Workshop  
Gateway Community College  
60 Sargent St. Rm. 207B.  
For more information contact [bernard.sweeney@sba.gov](mailto:bernard.sweeney@sba.gov)
- Mar 20 & 21** Latino Expo – Hartford Civic Center  
Visit [www.latinoexpoinfo.com](http://www.latinoexpoinfo.com) for more information
- Apr 27** BankWorld – more information to follow
- May, 2004** Small Business Week 2004 Celebration – more information to follow.

Check out our website for other ongoing seminars and workshops for small business [www.sba.gov/ct](http://www.sba.gov/ct)

**Connecticut District Office**  
**FY 2004 Loan Volume By Lender**  
**As of 01/31/04**

Citizens Bank	112	\$4,500,500
Fleet National Bank	55	\$2,586,200
Capital One, FSB	34	\$1,230,000
Webster Bank	29	\$3,458,000
BankNorth, NA	19	\$3,717,000
Commercial Loan Partners	12	\$6,152,000
CIT Small Business Lending Corp.	12	\$4,288,000
Peoples Bank	11	\$2,302,000
Cornerstone Business Credit, Inc.	7	\$3,442,000
Connecticut Community Investment Corp.	7	\$3,231,000
Ridgefield Bank	6	\$1,305,000
JP Morgan Chase Bank	6	\$ 550,000
UPS Capital Business Credit	5	\$3,755,000
Thomaston Savings Bank	5	\$ 246,100
Housatonic Industrial Development Corp.	4	\$2,202,000
First County Bank	4	\$ 270,000
Union Savings Bank	4	\$ 187,000
Business Loan Center, Inc.	3	\$3,503,000
Sovereign Bank	3	\$ 900,000
Rockville Bank	3	\$ 599,000
Hudson United Bank	3	\$ 525,000
New Haven Savings Bank	3	\$ 350,000
Essex Savings Bank	3	\$ 338,000
Bank of Western Massachusetts	3	\$ 159,000
Pitney Bowes Credit Corporation	2	\$1,930,000
Savings Bank of Danbury	2	\$ 85,000
The Washington Trust Company of Westerly	2	\$ 830,000
NewMil Bank	2	\$ 375,000
Farmington Savings Bank	2	\$ 255,000
Valley National Bank	2	\$ 250,000
Citibank (West), FSB	2	\$ 30,000
Commerce Bank, N.A.	1	\$ 1,075,000
The First National Bank of Suffield	1	\$ 625,000
Wachovia SBA Lending, Inc.	1	\$ 578,000
Canaan National Bank	1	\$ 422,000
GE Capital Small Business Finance Corp	1	\$ 355,000
Business Lenders, Inc.	1	\$ 330,000
Newtown Savings Bank	1	\$ 250,000
Connecticut Business Development Corp.	1	\$ 152,000
The Community's Bank	1	\$ 150,000
Apple Valley Bank & Trust Co.	1	\$ 150,000
Salisbury Bank & Trust Company	1	\$ 150,000
Connecticut River Community Bank	1	\$ 100,000
HSBC Bank USA	1	\$ 50,000
Warwick Savings Bank	1	\$ 50,000
The Simsbury Bank	1	\$ 20,000
<b>TOTAL</b>	<b>382</b>	<b>\$58,007,800</b>

504 Loans		SBA Portion	Total Project
Fleet Bank	2	\$1,286,000	\$3,190,000
CIT Small Business Lending Corp.	1	\$1,252,000	\$3,740,000
Vine Street Financial	1	\$ 951,000	\$2,305,200
GE Capital Corp.	1	\$ 778,000	\$1,907,000
Rockville Bank	1	\$ 774,000	\$1,875,000
Bank of Western Massachusetts	1	\$ 723,000	\$2,100,000
Hampden Savings Bank	1	\$ 695,000	\$2,036,000
Peoples Bank	3	\$1,648,000	\$4,211,000
NCB, FSB	1	\$ 377,000	\$ 909,200
First National Bank of Litchfield	1	\$ 313,000	\$ 754,000
Enfield Federal Savings Bank	1	\$ 295,000	\$ 710,000
Liberty Bank	1	\$ 286,000	\$ 700,000
Essex Savings Bank	1	\$ 258,000	\$ 620,000
Dime Savings Bank of Norwich	1	\$ 242,000	\$ 775,300
Jewett City Savings Bank	1	\$ 202,000	\$ 552,600
Bank of Southern Connecticut	1	\$ 167,000	\$ 400,000
Simsbury bank	1	\$ 151,000	\$ 360,000
Savings Bank of Manchester	1	\$ 152,000	\$ 360,000
Webster Bank	1	\$ 69,000	\$ 159,000
<b>TOTAL</b>	<b>20</b>	<b>\$9,333,000</b>	<b>\$24,204,300</b>

# SPOTLIGHT ON

## SBA Corner

Jeffrey H. Butland

New England Regional Administrator



*With the economy on the upswing, I want to realize a life-long dream of starting my own business. How do I get a business loan through the SBA?*

A good question. Last year the SBA guaranteed 7,500 loans totaling almost \$754 million to New England entrepreneurs. This created or retained almost 24,000 jobs in our six-state region.

SBA loans range from Microloans of a few hundred dollars to \$1.3

million under the 504 Loan Program.

If you can't obtain financing through traditional methods, your bank or credit union may be able to consider your request under the SBA's loan guaranty program. Under this program, the SBA can guaranty up to 85 percent of a small business loan. Your lender will forward your loan application and credit analysis to the appropriate SBA Office or Processing Center for review.

If SBA approval is granted, the lender closes the loan and disburses the funds. To be eligible for an SBA loan guaranty, a business must be for-profit and meet the SBA's size standards which vary based on your industry.

The best place to start is at the Connecticut SBA office at 860-240-4700, or your lender.

The SBA Corner focuses on issues about starting or expanding an existing small business. Please direct all inquiries to the Connecticut District Office at 860-240-4700 or visit the SBA web site at [www.sba.gov](http://www.sba.gov).

More

Connections

New link for the Hartford SBA OWBO-CT Entrepreneurial Center <http://careercounselingcenter.org/SBA-OWBO-Ctmain.htm>

SBA 50<sup>th</sup> Anniversary celebration information visit [www.sba.gov/50](http://www.sba.gov/50)

SBA en Español [www.sba.gov/espanol/](http://www.sba.gov/espanol/)

Hartford Economic Development Commission [www.hartforddecodev.com](http://www.hartforddecodev.com)

330 Main Street 2<sup>nd</sup>. Floor  
Hartford, CT 06106-1800

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Fax: (860) 240-4659