

NATIONAL SMALL
BUSINESS WEEK
MAY 1-7, 2016



National Small Business Week

A More Level Playing Field for Small Business Access to Capital

The **U.S. Small Business Administration (SBA)** is a leader when it comes to small business lending and has made great strides in leveling the playing field for women, service-disabled veterans, and minority entrepreneurs.

The Office of Capital Access (OCA) oversees and implements the different lending programs of the agency. Its mission is to help American small businesses get access to the capital they need to start, grow, expand and create jobs.

This includes a mission to ensure that those segments of society that have been traditionally underserved, e.g., minorities, women, veterans, etc., have equal opportunities and access to capital.

SBA Lending Programs

In 2015, SBA established the Jody C. Raskind Lender of the Year Award to recognize mission-focused lenders that have demonstrated extraordinary commitment to the creation, growth and expansion of small businesses in underserved markets with a demonstrable impact on the communities they serve.

Also in 2015, through the SBA's 7(a) and 504 programs, SBA approved 69,248 loans totaling \$27 billion to underserved markets including women, African Americans, Hispanic Americans, Asian Americans, Native Americans, veterans, and rural entrepreneurs. This represents a 45 percent increase in the number of loans and a 53 percent increase in total dollars since 2009.

SBA Lending to date in FY 2016:

- 7(a): 32,823 approved loans totaling \$11,844,638,500
- 504: 3,051 approved loans totaling \$2,478,036,000
- Microloans: 1,898 approved loans totaling \$26,210,112

Every year since 1963, the President of the United States has issued a proclamation announcing National Small Business Week which recognizes the critical contributions of America's entrepreneurs and small business owners. As part of National Small Business Week, the SBA takes the opportunity to highlight the impact of outstanding entrepreneurs, small business owners, and others from all 50 states and U.S. territories. All SBA programs and services are extended to the public on a nondiscriminatory basis.

Microlending

The SBA Microloan program is a unique way to reach underserved entrepreneurs. More than 50% percent of SBA microloans have been approved to women, 26% percent to African Americans, 19.6% percent to Hispanic entrepreneurs and 41.8% percent across all startups.

Since 2009, SBA's microloan intermediaries approved more than 29,000 microloans for \$362 million. SBA's microloan program targets women, low-income, veteran, minority, and start-up entrepreneurs by providing loans up to \$50,000.

LINC

In February 2015, SBA rolled out an online tool called LINC (Leveraging Information and Networks to access Capital) to match entrepreneurs with SBA-approved lenders in their local communities. Since then, SBA has recruited more than 800 approved SBA lenders, and more than 40,000 individual entrepreneurs have been connected to one or more lenders.

SBA Express

From 2012 to 2015, SBA's lending to veterans grew by 37 percent in dollars and 11 percent in total number of loans. President Obama signed the Veteran's Entrepreneurship Act of 2015, permanently waiving the up-front guarantee fee for veterans and military spouses on SBA Express Loans of \$350,000 and under. Administrator Contreras-Sweet added her own authorization for a 50 percent reduction in up-front guarantee fees for all other 7(a) loans to veteran-owned businesses for FY 2016.

Surety Bond Guarantee (SBG) Program

Through the SBG Program, SBA has helped small businesses obtain surety bonding necessary to compete in the contracting marketplace.

FY 2009 to FY 2015

Number of Bonds = 69,000

Contract Value = \$33.4 billion

Number of Small Businesses = 8,500

Participating Sureties = 12 in FY 2009 to 23 in FY 2015

The number of bonds guaranteed in FY 2015 was 87% greater than in FY 2009, and the contract value more than doubled. As a result of the contracts awarded to these small businesses, nearly 145,000 jobs have been supported. The SBG Program is customer focused, and currently has a two day average application processing time and 8 day average claims processing time.