



NEWS RELEASE

PRESS OFFICE

Release Date: April 20, 2004

Contact: Sue Hensley (202) 205-6444

Release Number: 04-25

Doug Heye (202) 205-7990

Internet Address: <http://www.sba.gov/news/indexheadline.html>

SBA Announces Proposal to Expand Services For America's Small Businesses

WASHINGTON – U.S. Small Business Administration Administrator Hector V. Barreto today submitted a legislative package to the U.S. Congress that would implement the President's fiscal year 2005 budget, improving the agency's wide range of services and allowing it to reach out to more small businesses than ever before.

"America's small businesses are leading the way in our economic recovery, and they deserve our help and support," Barreto said. "Last year was a record-breaking year for the SBA. Now we must look to the future. The legislation we are proposing today will allow us to reach out to more small businesses, and do more for them, than ever before. It will result in an SBA that is more responsive, more efficient, more modern – in other words, an SBA that is more like the small businesses it serves every single day.

"President Bush often says that government cannot create wealth and jobs, but it can help to create an environment in which the spirit of entrepreneurship can thrive," Barreto added. "That is what this legislation does. It allows us to help America's small businesses do what they do best: grow the economy and create jobs."

Included in the legislative package are several initiatives that will enhance the agency's ability to deliver services to its small business clients, including:

- Permitting the 7(a) loan program to operate at a zero subsidy rate by allowing the SBA to annually adjust the fees for the program. The legislation will also allow the SBA to charge and retain fees for the cost of mandatory lender reviews;
- Giving the SBA more flexibility to assist companies adversely affected by Presidentially declared disasters; and
- Enhancing the Women's Business Center (WBC) program by coordinating WBC activities with the Small Business Development Center program.

SBA anticipates legislative action on some or all of these initiatives during late April, May and June during the movement of SBA's reauthorization bill.

###