

## **PRESS RELEASE**

### **ASSOCIATION OF SMALL BUSINESS DEVELOPMENT CENTERS (ASBDC) HAILES PASSAGE OF SMALL BUSINESS JOBS ACT (H.R. 5297)**

#### ***Bill Will Result in More Direct Assistance for Small Businesses through the National Network of Small Business Development Centers (SBDCs)***

BURKE, VA - America's leading network for fostering small business job creation and retention - the Association of Small Business Development Centers (ASBDC) - hailed the passage of the "Small Business Jobs Bill" (HR 5297), and President Obama's prompt signing of the bill on Monday September 27th.

Besides providing tax incentives to small business, the initiative will also provide \$30 billion in capital for community banks to help spur lending to small businesses. During this recession and soft economic recovery, financial institutions have been much more constrained in their lending and small businesses have faced difficulties in obtaining capital.

"It has been extremely difficult for small business to access financing during this recession," said ASBDC President and CEO, Tee Rowe. "We hope that financial institutions will avail themselves of this legislation and increase financing opportunities for America's small businesses. When they do, our national network will be there to help them reach our small business clients, who are ready and qualified to obtain this new financing."

The legislation also provides \$50 million in funding for the more than 1,000 state Small Business Development Centers throughout the nation. These funds can be immediately invested in providing comprehensive technical assistance for small business owners and entrepreneurs. The federal funds will be distributed through the US Small Business Administration (SBA) on the basis of population and will be used to increase counseling and training for small businesses in communities across the country.

"Small businesses create the majority of employment in America and our state SBDC networks have the infrastructure and expertise to provide comprehensive counseling and training services for small business, this investment will have a strong rate of return for America's taxpayers," said Rowe.

The Congress makes annual appropriations for the SBDC national program through the SBA. The Small Business Jobs bill provides an additional injection of funding for the 50 states' SBDC networks to further provide 'boots on the ground assistance' for America's small businesses.

“This economic recovery has been slow,” states ASBDC Chairman Al Salgado. “The Congress recognizes the strong track record of our national network in helping start and grow businesses and create and retain jobs. Our national network will do everything it can to bolster existing counseling and training services to support small businesses so that they can further develop and grow during one of the worst economic downturns since the Great Depression.”

The ASBDC chairman also serves as the Director of the South-West Texas SBDC Network based in San Antonio, Texas.

“Efforts under this measure should further spur economic recovery,” added Rowe. “We’re privileged that the national network of SBDCs is playing an important role in improving the current economic environment by helping small business create and retain jobs.”

### **About the ASBDC**

Established 30 years ago through federal statute, the national network of small business development centers provides comprehensive counseling and training and other forms of technical assistance like helping small businesses obtain capital financing for business development and growth.

The ASBDC, composed of a national network of over 1,000 centers and satellite offices, is governed by national best practices in delivering small business assistance. The Board of Directors for ASBDC consists of executives of state SBDC networks from around the country - who work with the national office and receive input from the general membership through formal committees and general meetings - to execute its national strategic plan.

The program is funded through annual congressional appropriations, which are distributed by the US Small Business Administration (SBA) to state SBDC networks based on population. Federal dollars to state SBDCs must be matched with other sources of funding, including state investments, non-federal grants, and other private funds.

Small businesses that receive in-depth SBDC assistance (five-plus hours of counseling) experience much higher rates of job growth and higher sales growth when compared to other businesses not receiving such services. The national network helped create and retain over 120,600 jobs in 2009 as a result of its in-depth counseling to clients around the nation, a cost of roughly only **\$3,600 per job**. The national SBDC network also helped facilitate \$3 billion in financing for its small business clients.

*ASBDC -- America’s Small Business Development Centers Network --Building America’s Economy one business at a time...*