



Treasury Rolls Out State Small Business Credit Initiative

As part of the Small Business Jobs Act that was signed into law last fall, the Department of the Treasury announced it had approved applications for State Small Business Credit Initiative (SSBCI) funding. The SSBCI assists states in funding small business capital programs. In all, eleven states and Washington, D.C. were approved for funding.

Under the SSBCI, federal funding is made available to state programs that partner with private lenders and investors. States are required to show a reasonable expectation that every \$1 in federal funding will lead to a minimum of \$10 in new private lending. Therefore, the total \$1.5 billion in federal funding for this program is expected to result in at least \$15 billion in additional private lending for small businesses across the country.

For more information about the SSBCI, please visit [link](#).

Listed below are the states recently approved to participate in the SSBCI and the programs that this funding will support. Contact your local SBA district office to find out how to take advantage of these programs.

Alabama -- \$31.3 million

Treasury will allocate a total of \$31,301,498 to Alabama under the SSBCI. The Alabama Department of Economic and Community Affairs will use these funds to launch three new small business lending programs: the Alabama Capital Access Program, the Alabama Loan Guarantee Program, and the Alabama Loan Participation Program.

Florida -- \$97.7 million

Treasury will allocate a total of \$97,662,349 to Florida under the SSBCI. Florida's Office of Tourism Trade and Economic Development will partner with Enterprise Florida, Inc., a public-private economic development partnership, to launch the Venture Capital Program, which will make equity investments in small businesses, and the Florida Small Business Loan Support Program. Additionally, the Office of Tourism Trade and Economic Development will launch the new Florida Capital Access Program to spur small business lending by private sector lenders.

Idaho -- \$13.2 million

Treasury will allocate a total of \$13,168,350 to Idaho under the SSBCI. Idaho's Department of Commerce will partner with the Idaho Housing and Finance Authority to support the Idaho Collateral Support Program.

Iowa -- \$13.2 million

Treasury will allocate a total of \$13,168,350 to Iowa under the SSBCI. The Iowa Department of Economic Development (IDED) will use these SSBCI funds to support the launch of the Iowa Capital Access Program, and to provide additional funding for two existing programs: the Iowa Demonstration Fund Program, a venture capital program; and the Iowa Small Business Loan Program, a microloan program. The Iowa Business Growth Corporation will administer the Capital Access Program and will target its outreach specifically to rural communities throughout the state. The Iowa Foundation for Microenterprise and Community Vitality (IFMCV) will administer the Iowa Small Business Loan program and will use the funding to provide participation loans in conjunction with private financing to support small businesses. The Demonstration Fund, managed by IDED, encourages commercialization activities by small and medium-sized Iowa companies in the areas of product refinement, market planning and market entry activities to foster competitive companies that create jobs in Iowa.

Louisiana -- \$13.2 million

Treasury will allocate a total of \$13,168,350 to Louisiana under the SSBCI. Louisiana's Department of Economic Development will use these funds to support two existing programs: the Louisiana Small Business Loan Guarantee Program and the Louisiana Seed Capital Program, a venture capital program.

Mississippi -- \$13.2 million

Treasury will allocate a total of \$13,168,350 to Mississippi under the SSBCI. The Mississippi Development Authority will use these SSBCI funds to establish the Mississippi Small Business Loan Guarantee Program, a new loan guarantee program for the state.

Ohio -- \$55.1 million

Treasury will allocate a total of \$55,138,373 to Ohio under the SSBCI. Ohio's Department of Development will use these funds to support an existing Capital Access Program; to launch the Small Business Collateral Enhancement Program, a new cash collateral program; and to launch the Targeted Investment Program, a new venture capital program.

Oregon -- \$16.5 million

Treasury will allocate a total of \$16,516,197 to Oregon under the SSBCI program. The Oregon Business Development Department will use these SSBCI funds to support the Oregon Capital Access Program, a Credit Enhancement Fund, a loan guarantee program, and the existing Oregon Business Development Fund, a loan participation program.

Tennessee -- \$29.7 million

Treasury will allocate a total of \$29,672,070 to Tennessee under the SSBCI. Tennessee's Department of Economic and Community Development will use these funds to establish a new venture capital program called the "INCITE Fund."

Texas -- \$46.6 million

Treasury has allocated a total of \$46,553,879 to Texas under the SSBCI. The Texas Department of Agriculture will use these funds to launch two new programs: the Texas Small Business Venture Capital program and the Texas Loan Guarantee program.

Virginia -- \$18.0 million

Treasury has allocated \$17,953,191 to Virginia under the SSBCI. The Virginia Small Business Financing Authority will use these funds to enhance the existing Virginia Capital Access Program; and the existing Economic Development Loan Fund, a loan participation program that provides subordinated gap financing to qualified small businesses.

Washington, D.C. -- \$13.2 million

Treasury will allocate a total of \$13,168,350 to Washington, D.C. under the SSBCI. Washington, D.C. intends to use this allocation to support a new Capital Access Program.