



April 30, 2019

The Honorable Tammy Duckworth  
524 Hart Office Building  
U.S. Senate  
Washington, D.C. 20510

Dear Senator Duckworth,

On behalf of Women Impacting Public Policy (WIPP), I am writing to express support for S. 996, the Microloan Program Enhancement Act. WIPP is a national nonpartisan public policy organization, advocating on behalf of women entrepreneurs. The SBA's Microloan Program plays a critical role in providing necessary growth capital for women-owned businesses. Women are the greatest consumers of these loans, receiving 48.7% of the Microloans issued in FY2018.<sup>1</sup> S. 996 would make key improvements to the Microloan Program. As our witness at a Congressional hearing on modernization of the Microloan Program, Michelle Richards of the Great Lakes Women's Business Council, noted, one of the critical changes to modernize the program is removal of the 1/55th rule. In addition, access to microlending data and allowing technical assistance to be decided on need rather than an artificial formula set by the government are critical issues that should be addressed. S. 996 incorporates two of these changes.

Elimination of the 1/55th rule lifts the restriction on the availability of capital for small businesses, taking account of need rather than adherence to a formula. While there is a concern that only larger, urban areas would benefit from elimination of this rule, our witness noted that elimination of this rule would benefit rural areas as well. Further, the bill would require SBA to make publicly available previously unreleased data, including the number of small businesses that remain in business, the number of jobs created and retained, and the impact of the elimination of the 1/55th rule on rural areas. Access to this data will be helpful not only to supporters of the program, but to microlenders in determining lending needs.

WIPP believes S. 996 is a strong start to strengthening and modernizing the Microloan Program, an important resource for women entrepreneurs across the country. Thank you for considering this legislation. If you have any questions, please do not hesitate to contact Jennifer Mangone at (202) 626-8528 or [jmangone@madisonservicesgroup.com](mailto:jmangone@madisonservicesgroup.com).

Sincerely,

Candace Waterman  
CEO and President, WIPP

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<sup>1</sup> "Small Business Administration Microloan Program," Congressional Research Service, Updated March 8, 2019, <https://crsreports.congress.gov/product/pdf/R/R41057>