

Vice President Harris, Treasury Department Announce Over \$175 Million to Support Small Businesses as Part of the Biden–Harris Administration’s Investing in America Agenda

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The Minority Business Development Agency announces first awardees under the Capital Readiness Program – funded by the Treasury Department’s State Small Business Credit Initiative – to support small businesses applying for government small business programs

In addition, Treasury Department awards first State Small Business Credit Initiative Technical Assistance grants to help small businesses in 12 states access legal, accounting, and financial counsel

WASHINGTON – Today, Vice President Harris is announcing the initial awardees under the Minority Business Development Agency (MBDA) Capital Readiness Program (CRP) – a technical assistance program funded by the U.S. Department of the Treasury’s State Small Business Credit Initiative (SSBCI). The CRP enables small businesses to access critical technical assistance, including by supporting incubators and accelerators that provide services to underserved businesses. The Treasury Department has increased its previously announced support for the CRP, to a total of \$125 million in SSBCI funding.

In addition, the Treasury Department is announcing the approval of the first awards under the SSBCI Technical Assistance Grant Program to 12 states, totaling over \$57 million. These awards will be used to provide legal, accounting, and financial advisory services to very small businesses and underserved small businesses applying for the SSBCI capital program and other government small business programs.

“The investments through the State Small Business Credit Initiative are a key part of the Biden-Harris Administration’s efforts to fuel the small business boom by providing small businesses and entrepreneurs the resources they need to succeed,” **said Deputy Secretary Wally**

Adeyemo. “Today’s announcements are important steps in helping unlock the potential of entrepreneurs in underserved communities across the nation who may have otherwise never had the support needed to pursue their business ideas and ambitions.” President Biden’s American Rescue Plan reauthorized and expanded SSBCI, which was originally established in 2010 and was

highly successful in increasing access to capital for small businesses and entrepreneurs. The new SSBCI builds on this successful model by providing nearly \$10 billion to states, the District of Columbia, territories, and Tribal governments to increase access to capital and promote entrepreneurship, especially in traditionally underserved communities as they emerge from the pandemic. SSBCI funding at large is expected to catalyze up to \$10 of private investment for every \$1 of SSBCI capital funding, amplifying the effects of this funding and providing small business owners with the resources they need to sustainably grow and thrive.

The expanded SSBCI includes funding for technical assistance to help small businesses apply for the SSBCI Capital Program and other government small business programs. The Treasury Department's newly announced SSBCI Technical Assistance Grant Program is designed to complement the SSBCI Capital Program. While access to capital is a key component for small business stability, resiliency, and growth – particularly for historically underserved small businesses – additional technical support will help these small businesses secure and maximize that capital. The Technical Assistance Program will provide vital aid to help small businesses become “capital ready” by preparing them to take on loans or investment and steward capital for small business success.

From today's \$57 million awards under the SSBCI Technical Assistance Grant Program to 12 states, here are examples of how award recipients are utilizing their funding:

- **California:** The California Office of the Small Business Advocate (CalOSBA), approved for up to \$25.3 million, will oversee regionally-based legal, accounting, and financial advisory services to help small businesses apply for support from state and/or federal small business programs, and will also help connect companies directly with its SSBCI-supported capital programs. The CalOSBA anticipates reaching 113,000 small businesses with these financial services and supporting 40,000 small business loans for underserved and very small businesses using the technical assistance award.
- **Ohio:** The Ohio Department of Development (ODD), approved for up to \$5.2 million, will connect underserved businesses to regional financial advisory, accounting, and/or legal services, as well as non-traditional financing sources like the state's SSBCI-funded capital programs. By the fourth year of the program, ODD's Minority Business Development Division (MBDD) anticipates reaching up to 360 businesses annually to provide these services for the remainder of the program.
- **Nevada:** The Nevada Governor's Office of Economic Development, approved for up to \$2 million, will work with the Nevada Small Business Development Center (Nevada SBDC) to provide training – including a 10-week bootcamp – and networking opportunities as well as

one-on-one counseling to connect underserved and very small businesses directly with support for legal, accounting and financial advisory services. Nevada SBDC anticipates assisting more than a thousand companies through the technical assistance grant program, and estimates that this will create more than a thousand jobs.

In addition to today's announcement, to date, the Treasury Department has announced the approval of state, territory, and Tribal government plans corresponding to over \$8 billion in funding under the SSBCI Capital Program to support small business and entrepreneurship and expand access to capital. In the coming months, the Treasury Department will continue to review and approve plans under both the Capital Program and Technical Assistance Grant Program.

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