

Vice President Harris, Treasury Department Announce New Funding for Historically Underserved Entrepreneurs in North Carolina as part of Administration's Strategy to Invest in American Small Businesses

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State Small Business Credit Initiative funding represents the most widespread federal investment in small business through equity capital ever and the largest direct infusion of federal funds for equity participation in early-stage small businesses in history

DURHAM, NC – Today, Vice President Kamala Harris, Deputy Secretary of the Treasury Wally Adeyemo, and North Carolina Governor Roy Cooper are announcing North Carolina's award of \$32 million in federal funds from the American Rescue Plan (ARP) to 10 venture capital firms under the Treasury Department's State Small Business Credit Initiative (SSBCI). SSBCI is the most widespread federal investment in small businesses through equity capital ever and the largest direct infusion of federal funds for equity participation in early-stage small businesses in history. North Carolina is awarding these funds to 10 women- and minority-led venture capital firms with proven track records of support for small businesses and entrepreneurs. This investment will catalyze an additional \$60 million in private investment in North Carolina, totaling more than \$90 million to primarily support and grow small underserved businesses in the state.

“The President and I are expanding access to opportunity by investing in the backbone of our economy: American small businesses,” **said Vice President Kamala Harris**. “Our historic investments in infrastructure, clean energy, and manufacturing, and our actions to increase access to capital have spurred historic small business growth for the last three years. Today's announcement will build on that momentum and, as part of our broader efforts to Invest in America, will allow thousands of entrepreneurs from historically underserved communities the ability to hire more employees, grow their businesses, and advance innovation.”

“The investments through the State Small Business Credit Initiative are a key part of the Biden-Harris Administration's efforts to provide small businesses and entrepreneurs the resources they need to succeed,” **said Deputy Secretary Wally Adeyemo**. “Today's announcement will help unlock the potential of entrepreneurs in underserved communities

across North Carolina who have not had the support to pursue their ambitions and launch a new business.”

“This effort by the Biden-Harris administration’s American Rescue Plan will strengthen small businesses throughout out state,” **said Governor Roy Cooper.** “Investments in historically underutilized businesses will help transform our communities and provide equal opportunities for everyone to succeed.”

President Biden’s American Rescue Plan reauthorized and expanded SSBCI, which was 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. 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 SSBCI program includes funding and incentives for jurisdictions to reach underserved businesses, including those owned by people of color, women, veterans, people with disabilities, and individuals in rural areas.

North Carolina is just one of forty-six states and territories that are committing nearly \$3 billion from the Treasury Department’s SSBCI to equity-based financing programs, including over \$1.4 billion through partnerships with private venture capital funds. These investments are expected to catalyze over \$30 billion in additional private investment and follow-on funding over the decade that will help underserved entrepreneurs tap into a critical source of capital for business development and wealth creation that has traditionally suffered from some of the most restrictive barriers to access.

[A total of 10 venture capital firms received these investments, including:](#)

- **Nex Cubed**, which has a Historically Black Colleges and Universities (HBCU) Founders Fund that helps to launch and scale entrepreneurial endeavors led by alumni, students, and faculty from HBCUs. Nex Cubed makes an initial investment of \$120,000 in each selected start-up and provides dedicated executive-level support from a paid advisor.
- **RevTech Labs**, a majority female and Latina-owned entrepreneurship center, accelerator, and venture fund that prioritizes supporting and elevating traditionally underrepresented founders in financial, health, and insurance technologies. RevTech will invest in over 200

early-stage companies and provides support as an accelerator, with 350 mentors and subject matter experts available to support success.

- **LaVert Ventures**, a woman-owned AgTech fund that focuses on investing in precision agriculture, crop protection, and indoor agriculture, ensuring that venture capital supports strong and equitable growth in rural America. These technologies will help to address the food production demands and environmental pressures that are set to increase in the coming decades.
- **Latimer Ventures**, an early-stage venture capital fund that seeks to help enterprise founders build great companies and Fortune 1000 Companies make diverse acquisitions. Latimer is focused on deploying its investment model to build the next generation of Black and Hispanic enterprise software companies.

To date, the Treasury Department has announced the approval of state, territory, and Tribal government plans corresponding to more than \$8.4 billion in funding under the SSBCI Capital Program to support small business and entrepreneurship and expand access to capital. In addition to the SSBCI Capital Program, the Department has announced more than \$108 million of awards through the SSBCI Technical Assistance Program, which 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.

SSBCI is one example of how the Treasury Department has taken the lead role in [implementing programs and initiatives to support small businesses across all communities](#). The Department’s work has also helped these funds reach traditionally underserved entrepreneurs and small businesses that will ensure the small business boom grows the economy in communities that were disproportionately harmed by the pandemic. These programs are key to the Biden-Harris Administration’s strategy to strengthen the small business creation seen since the start of this Administration by expanding access to capital and customers, and by providing entrepreneurs the resources they need to succeed. Alongside other programs and initiatives under President Biden and Vice President Harris’ leadership, the United States is on track to have the three strongest years in history for new small business applications, and Black business ownership has grown at the fastest pace in 30 years.

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