

# U.S. Department of the Treasury Awards \$10 Million to California to Help Small Businesses Grow and Hire

October 7, 2024

WASHINGTON – Today, the U.S. Department of the Treasury (Treasury) announced that the California Office of the Small Business Advocate is being awarded \$10 million to support small business growth through the Biden-Harris Administration's [State Small Business Credit Initiative \(SSBCI\) Investing in America Small Business Opportunity Program \(SBOP\)](#).

California's initiative will be supported by \$16.25 million in matching funds.

Part of the Biden-Harris Administration's economic agenda, this \$75 million program provides funding to connect underserved and very small businesses to the capital needed to participate in key Investing in America supply chains, including electric vehicle manufacturing, semiconductor manufacturing, construction, transportation, clean energy generation, and more. The SBOP was designed to catalyze additional private sector investment by supporting small business technical assistance services like accounting and legal services.

"The Biden-Harris Administration's economic agenda is focused on continuing the historic small business boom by helping small businesses across the country grow and hire," said **U.S. Deputy Secretary of the Treasury Wally Adeyemo**. "With this new funding, California will be able to provide one-on-one support to help entrepreneurs seize new opportunities created by state investments in infrastructure and innovation."

"Today's announcement to fund critical small business technical assistance programs will help ensure that more small businesses can thrive, as part of the Biden-Harris Administration plan that is powering a small business boom with a record 19 million new business applications so far," said **National Economic Advisor Lael Brainard**.

"America's small businesses are the engine of our economy – and as I often say, there is nothing more optimistic than starting a small business," said **Speaker Emerita Nancy Pelosi**. "As Speaker, I was proud to partner with President Biden and lead House Democrats in delivering transformative investments for our small businesses – and I'm thrilled to join in

celebrating this federal funding to bring those investments to California. Democrats are proud to support small businesses and their great optimism, entrepreneurialism and courage, which are the lifeblood of the American economy.”

“This \$10 million investment is a huge win for California’s small businesses, helping them grow, create jobs, and lead in industries that drive our future,” said **California Lieutenant Governor Eleni Kounalakis**. “By supporting California’s efforts to provide essential resources, technical support, and access to capital, this investment will ensure our state remains at the forefront of economic growth and innovation, especially for small businesses owned by women and people of color. I am grateful for the Biden-Harris Administration’s commitment to fostering inclusive economic opportunity and supporting the backbone of California’s economy.”

“This funding will go a long way in making sure that small businesses across California not only know about billions of dollars in low cost federal and state financing available to them, but also receive any technical assistance necessary to apply for these funds.” said **U.S. Congresswoman Maxine Waters**. “I am particularly pleased that this award is coming from the State Small Business Credit Initiative, an initiative I helped to create in 2010 and later led the effort to renew and expand in partnership with the Biden-Harris Administration in 2021. California’s small businesses, and especially its diverse-owned businesses, are too often ignored by our traditional banking system, but through this program can receive critical capital financing to better serve their communities. I look forward to working with the Treasury Department and state agencies to spread the word about these resources.”

“Reauthorized and expanded by Congressional Democrats and the Biden-Harris Administration through the American Rescue Plan, SBOP supports small businesses nationwide receive the access to capital and technical assistance they need to succeed--barriers disproportionately impacting businesses owned by women and people of color,” said **U.S. Congresswoman Judy Chu**. “With today's announcement, entrepreneurs in the San Gabriel Valley and around California will be able to take advantage of the new PINNACLE program's wealth of resources, training, and other forms of assistance to help them not just stay afloat but thrive and magnify their contributions to their communities.”

“CalOSBA is honored and grateful that the U.S. Treasury has chosen our application through this competitive process,” said **CalOSBA Director Tara Lynn Gray**. “Our proposal is designed to complement both the existing federal investment in our Technical Assistance for Capital Readiness Program and state-level investment from Governor Newsom’s administration in

our Accelerate California program. The team at CalOSBA is tasked with diversifying California's innovation economy and increasing small business participation in state contracting – both of which will be greatly assisted by this new funding.”


The Office of the Small Business Advocate within the Governor's Office of Business and Economic Development submitted the application for the SBOP award, which was selected through a competitive process. Using this \$10 million, CalOSBA will create a new Procurement & Innovation Capital Leadership for Entrepreneurs (PINNACLE) program.

PINNACLE will build upon the \$25.3 million in SSBCI Formula Technical Assistance funding invested in building CalOSBA's SCALE technical assistance network. The PINNACLE program would help small businesses take advantage of opportunities created by a requirement for all state agencies to meet or exceed 25% small business participation in their procurement pipelines; \$180 billion in infrastructure spending over the next 10 years; and the Accelerate California network of 13 Inclusive Innovations Hubs supporting diverse creation and growth of new fast-growth, high-wage businesses.

PINNACLE funding will be used to support underserved small businesses, including those owned by people of color and women, with the capacity to take advantage of these opportunities by providing one-on-one counseling, training, and resources.

Selected SBOP jurisdictions will build or expand technical assistance programs focused on connecting very small and underserved businesses to financing available through SSBCI, or other state or federal small business programs, including in the infrastructure, manufacturing, clean energy, or climate resiliency space. Jurisdictions have been selected based on their plans to create innovative, high-impact models of small business technical assistance delivery that demonstrate a vision to improve access to capital for historically overlooked businesses across the nation.

The American Rescue Plan Act reauthorized and expanded SSBCI, which provides nearly \$10 billion to support small businesses and empower them to access the capital needed to invest in job-creating opportunities. SSBCI provides funds to states, the District of Columbia, territories, and Tribal governments to promote American entrepreneurship, support small business ownership, and democratize access to capital across the country, including in underserved communities. Through the SSBCI Capital Program, Treasury has approved plans for small business financing programs totaling over \$8.7 billion and representing every state and territory, the District of Columbia, and 280 Tribal governments.

In addition to today's announcement, Treasury has announced the approvals of SSBCI Technical Assistance grants allocated by formula to states, the District of Columbia, territories, and Tribal governments, representing \$145 million for 48 jurisdictions. Treasury anticipates additional approvals of applications to follow. [See the full list of approved programs here](#) .

###