

# FY2013 President's Proposed Budget Briefing

February 21, 2012



**AEO** Association for <sup>TM</sup>  
Enterprise Opportunity  
[ THE VOICE OF MICROENTERPRISE ]

# Webinar Logistics

The webinar is being recorded and will be available on our website along with the presentation

- All participants have been muted to ensure sound quality
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# The President's FY2013 Proposed Budget

- Announced last Monday, the President's Proposed Budget serves as a "roadmap" or "blueprint" for Congress, outlining the Administration's priorities.
- For FY2013, the President's Proposed Budget contains cuts or eliminates many of the programs AEO cares about.
- The President's Proposed Budget complies with the provision in the Debt Deal signed last summer putting discretionary spending caps in place— for FY2013, the cap is set at \$1.047 trillion.



# U. S. Small Business Administration

PROGRAM	FY12 Enacted \$M	FY13 President's Request \$M
PRIME	3.5	0 / Elimination
Microloan Cap.	25	18
Microloan TA	20	19.7
WBCs	14	12.6
7(j) Technical Assistance	3.1	2.8
SBDCs	112.5	101

- Elimination of the Program for Investment in Micro-Entrepreneurs (PRIME Program) – again.
- Reduction in lending funding under the Microloan Program, from \$25M in FY12 to \$18M in FY13.
- Microloan TA would also shrink slightly to \$19.7M in FY13.



# Department of Treasury / CDFI Fund

PROGRAM	FY12 Enacted \$M	FY13 President's Request \$M
CDFI	221	221
Financial Assistance	146	128
Admin & Research	23	21
Bank on USA	0	20
Bank Enterprise Award	18	15

- Financial and Technical Assistance would decrease by \$18M from FY12.
- Created in 2010, but never funded, Bank on USA, will promote access to affordable and appropriate financial services and basic consumer credit products for households without access to such products and services.
- According to its latest performance report (FY10), the CDFI Fund created or maintained 81,000 jobs and financed nearly 12,500 businesses.



# Department of Labor

PROGRAM	FY12 Enacted \$M	FY13 President's Request \$M
WIA – Adult Employment & Training Activities	770	769
Workforce Innovation Fund	125	50

- Funding for WIA - Adult Employment & Training Activities would remain virtually unchanged from FY12 at \$769M.
- Created last year, Workforce Innovation Fund (WIF) would receive an additional \$50M in grant award funding. The initial FY12 funding has not been awarded yet.
- The WIF will award grants to States or broad partnerships that use new service delivery strategies or expand evidence-based practices for employment training in underserved communities.



# Department of Agriculture

PROGRAM	FY12 Enacted \$M	FY13 President's Request \$M
RMAP	0	22
RBEG	24	34
RBOG	2	0 / Elimination

- Despite receiving no funding in FY12, the President requests \$22M for the Rural Microentrepreneur Assistance Program (RMAP), which provides loans and grants to rural MDOs.
- Elimination of the Rural Business Opportunity Grant program (RBOG) as “duplicative” of the RBEG program.
- Increases Rural Business Enterprise Grants (RBEG) program by \$10M from FY12.



# Summary

- A number of critical business assistance programs are eliminated or face cuts.
- “The President proposes and the Congress appropriates” meaning that these recommendations are just that—recommendations.
- AEO will continue to advocate to keep funding for programs critical to the underserved communities who need credit and credit assistance.
- AEO will continue to provide updates as the FY2013 appropriations process moves forward.





# Q&A

- To ask a question:
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  3. Click “send”
- Please send any follow-up questions to Martin Feeney at [mfeeney@madisonservicesgroup.com](mailto:mfeeney@madisonservicesgroup.com).

