DATE

The Honorable FIRSTNAME LASTNAME

U.S. House of Representatives

Washington, DC 20515

Dear Congressman LASTNAME:

On behalf of YOURORGNAME, I am writing to urge your support for H.R. 5485, the FY17 Financial Services and General Government (FSGG) Appropriations Bill. This bill prioritizes funding for vital programs at the Small Business Administration (SBA) and the Department of Treasury (Treasury) that promote entrepreneurship including: SBA’s Microloan Program, the Program for Investment in Micro-Entrepreneurs (PRIME), Small Business Development Centers (SBDCs) Women’s Business Centers (WBCs), and the Community Development Financial Institutions (CDFI) Fund.

REPLACE with paragraph about your organization

*CAMEO is California’s statewide micro-business network made up of over 180 organizations, agencies, and individuals dedicated to furthering microbusiness development in California. We expand resources and build capacity for our member organizations that provide entrepreneurs with micro and small business financing such as loans and credit, business technical assistance and business management training. Annually, CAMEO members serve about 20,000 very small businesses with training, business and credit assistance and loans. These firms – largely start-ups with less than five employees – support or create 35,000 new jobs annually in California.  And generate a total of $1.5 billion in economic activity.*

Congressional investment in micro-business development matters: 80% of small businesses that receive business development services are still in business after five years. This compares to an overall five-year business success rate of less than 50 percent. Businesses that receive training have average annual revenues that are 38 percent higher than those that do not. The development services provided by the SBA and Treasury are critical to growing and sustaining microbusinesses.

We strongly support the following appropriations levels in H.R. 5485:

Treasury CDFI Fund $250M

SBA Microloan – Lending            $44M

SBA Microloan – TA $31M

SBA PRIME                     $5M

SBA WBCs                                     $19M

SBA SBDC $125M

In FY15, SBA’s Microloan program– which provides loans up to $50,000 – assisted nearly 3,700 businesses and supported 16,600 jobs. For FY17, the program received a 25% increase to $44 million in lending authority and 31$ million for technical assistance grants. The Microloan program is thriving and, as SBA noted in its budget request, additional funds are required to meet this growing demand. The additional funding will ensure that this critical capital access program has the resources necessary to reach the California’s entrepreneurs.

The WBC Program counseled and trained over 140,000 women entrepreneurs which directly led to the creation of over 760 businesses in FY15. The FSGG Appropriations Bill will increase the program’s appropriation level to $19 million – a $2 million increase over FY16 and a record for the program. Given that women-owned businesses are the fastest growing segment of businesses created, expanded support for women entrepreneurs is justified.

SBA’s network of resource partners, such as Women’s Business Centers and Veteran’s Business Outreach Centers, provide training services to over one million entrepreneurs each year. SBDCs are a critical component of this network with over 900 centers throughout the country. In FY15, SBDC business counselors advised over 450,000 businesses, helping then obtain $4.7 billion in capital.

YOURORGNAME is especially pleased that appropriators funded the PRIME program at $5 million, despite no budget request from the Administration. PRIME grants are awarded to microenterprise development organizations, which assist low-income entrepreneurs gain access to capital. In FY2014 and FY2015, organizations in California received $1.5 million in PRIME grants – providing numerous entrepreneurs with needed support.

House Appropriators took a tremendous step forward by allocating $250 million to Treasury’s CDFI Fund for FY17 – a record level. CDFIs are located in the country’s most distressed rural and urban communities and provide critical business assistance and access to capital. Despite the Appropriators’ determination to fully fund this program, an amendment offered by Rep. Sean Duffy (R-WI) would slash funding by over $20 million. To ensure CDFIs have the funding that they need to continue this important work, CAMEO urges you to vote ***against*** this amendment.

Thank you in advance for your consideration. As advocates for the small business and microbusiness community, we can confidently say that the FY17 FSGG Appropriations bill provides support for programs that are vital to the success of microbusinesses and entrepreneurs in California and across the country.

Sincerely,

YOURNAME

TITLE