

A NEW ERA OF RESPONSIBILITY: RENEWING AMERICA'S PROMISE

The Small Business Administration 2010 Budget

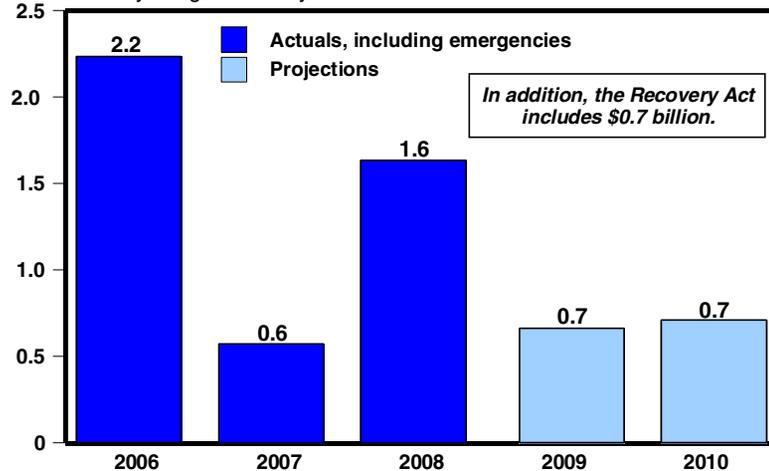
“To strengthen our economy, we must strengthen the small businesses that are its backbone. In the Small Business Administration, America’s small businesses will have a partner in Washington, helping them create jobs and spur growth in communities across this country. I am confident that the SBA will not only help small business owners realize their dreams, but help our nation rebuild our economy.”

-- President Barack Obama

The President’s Fiscal Year 2010 Budget provides nearly \$700 million to the Small Business Administration (SBA) to support lending to small business by deploying capital through guaranteed loans and investment products. The Budget supports approximately \$28 billion in loan guarantees intended to expand credit availability to small businesses. The Budget additionally supports \$1.1 billion of direct disaster loans for homeowners, renters, and businesses. To improve the performance of the SBA, the Budget sustains funding for technical assistance grant programs, increases funding for core agency systems and human capital, streamlines loan processes, and improves targeting of Federal contracting opportunities for small businesses.

Small Business Administration

Discretionary budget authority in billions of dollars



Note: 2006 and 2008 include \$1.7 billion and \$1.1 billion, respectively, in emergency supplemental appropriations for the Disaster Loan program.

The U.S. Small Business Administration Budget Highlights

CREDIT AVAILABILITY FOR SMALL BUSINESS

Helps small businesses weather the credit crisis. The Budget supports: \$17.5 billion in guarantees under the Section 7(a) Guaranteed Loan program, an important source of credit for small businesses; \$7.5 billion in guaranteed debentures in the Section 504 Guaranteed Loan Program, providing Certified Development Companies financing to support commercial real estate development; \$3 billion in authority for the SBIC debenture program; and \$25 million in microloan volume, allowing intermediaries to provide small loans and technical assistance to entrepreneurs and other start-up businesses. In addition, the Administration's Small Business and Community Bank Lending Initiative will expand small business credit availability and affordability by unfreezing the secondary markets for small business loans.

AGENCY OPERATIONS

Enhances core operations. SBA will leverage existing networks to reinvigorate small business lending by deploying capital through guaranteed loans and investment products. This includes developing technological improvements, so that the SBA remains transparent, accountable and in touch with people on "Main Street."

Modernizes the agency for better performance. The Budget provides increased funding for core agency systems and human capital improvements. This includes continued procurement of a modern loan accounting system, and a focus on streamlining and automating lender and contracting systems.

CONTRACTING OPPORTUNITIES FOR SMALL BUSINESS

Improves technical and contracting assistance capabilities to advise small businesses. The Budget supports resources for non-credit technical assistance programs, providing entrepreneurs access to counseling and business development expertise. This includes improvements to existing programs such as Small Business Development Centers, Women's Business Centers, SCORE, and microloan technical assistance, as well as incorporating new strategies. The Budget also supports small business access to Federal prime and sub-contracting opportunities, improvements to small business procurement data, and continued reviews of small business size standards.

DISASTER RECOVERY

Prepares for disaster assistance. The Budget supports \$1.1 billion in direct disaster loans, the normalized 10-year average. In addition, \$101 million in new budget authority for disaster lending administrative expenses is provided and disaster loan subsidy funding is available. In FY 2010, the agency will also implement a pilot program to test the Guaranteed Disaster Loan programs outlined in Public Law 110-234.