

2013 ASBDC Legislative Strategy

Legislator Education:

Meeting Preparation

1) **Prepare for your meeting**

- Put together district, State/Region, and national impact and services information.
- Collect Success Stories for each district, ideally includes businesses that are recognizable to the Legislator.
- Collect support letters from clients and stakeholders to the Legislator.
- Make it personal – The best success stories are the people they already know. Look for clients who are close to the district office, clients in the Legislator’s hometown, clients that are well-known locally or may already have a relationship with the Legislator.

2) **Do background research about the Legislator and their staff**

- Check their website, locate district office(s) and invite SBDC clients nearby to join you at a district meeting leading up to Washington visits.
- Review their LinkedIn and Facebook profiles.
- What are the Legislator’s interests? Technology, International Trade, Manufacturing, etc.? Relate district successes to those topics.
- Check for “Town Hall Meetings”, local forums, meeting schedules, what was said.
- Is he/she a small business owner, a brother/sister/parent? The Legislator’s relative, or the staffer, may own a business – and be an SBDC client - it’s not uncommon!

3) **Making Contact**

- Call the district office, get an appointment for their local SBDC Office with the Legislator or staff in town, and speak to the staffer who handles small business issues. Ask them to close the loop with the Washington staff, it can be surprising that you have a great district office relationship that never gets communicated to the DC staff, and decisions are made in DC.
- Get your local offices to meet with the district offices! Your local office is busy, but don’t let them slide; drop by, share the SBDC story, successes, special programs, JOBS are important to everyone. Make sure the district office knows where to refer constituents when there is an issue.
- Ask a client, representing a success story, to join in the district meeting (note: make sure the client either lives in the district or their business is in the district).

- Invite the Legislator and staff to visit the office, ask if they would like to be invited to SBDC events; Legislators love to be seen promoting economic development.
- Be the entrepreneurial and small business resource they think of when a question arises. The SBDC should be the “**go-to**” organization.

4) After the meeting

- Send a brief thank you note after the meeting, email is fine and enclose an electronic business card they will add to their contacts.
- Notify the local scheduler of upcoming events. Even if you invite them to ten events before they accept, they will always remember your invitation and staff will assist you in arranging your DC visit and explain why it’s important to the district.
- Offer to work with the District Outreach Coordinator, set up the constituent meetings that your Legislator wants to conduct. If your SBDC is working to set them up, you can make sure that friends of the program are participating.

What to Expect on Capitol Hill: *A Typical DC Office Visit During Appropriations Season*

Prepare for How to Be Effective in the following scenario:

You arrive at 10:50 for your 11:00 meeting with Luke, the Legislator's legislative assistant. The person behind the welcome desk indicates that Luke is currently meeting with another group, gesturing to the three men behind him smushed around a small table talking with a young man, who you swear was the college kid who cut your lawn last summer. You turn to sit on the couch and wait and watch the TV overhead that is broadcasting floor speeches on C-Span, but there is no room because five old men wearing VFW hats and war medals are occupying it and the area right around it. As you stand there watching C-Span, you hear that the men meeting with Luke are telling him about the latest, gee-whiz military technology that is being produced by their 500 employees, who along with their companies and their industry trade group, have been very strong supporters of the Legislator, and they hope the Legislator will continue to support spending on the technology in the defense budget.

In the other corner of the anteroom, another staffer, Brittany, is meeting with a group of EMS staff who are explaining how they have had to close a station because of budget cuts and that it now takes over 20 minutes to reach certain parts of the district. And how in some instances after 15 minutes, permanent brain damage will set in; and that's the good case scenario.

Luke and Brittany conclude their meetings at just about the same time, and the five people and two staff are trying to coordinate handshakes and goodbyes around you. Luke greets you and says he is running late, and that the gentlemen from the VFW had a 10:30 appointment. He asks Brittany if she can meet with them instead. She says she can't because in the hall are waiting a group of parents and their fourth grade children who want to talk to her about getting the Legislator's help to update their textbooks, which date to 1976. They also claim the cafeteria essentially serves nothing but applesauce.

Luke huddles for a moment with the VFW guys, promising them that they'll get his time and attention in five minutes, after he meets with you. They grudgingly accept this. As you squeeze into a seat at the corner table to start your meeting with Luke, the door opens again. In walks four people using blind canes and wearing T-shirts in memory of Caitlyn, including a 13 year old girl who is in the same class as the legislator's daughter, to discuss the importance of medical research to help prevent the illness that has led to their blindness and Caitlyn's early death.

Your job: In 5 minutes, in this environment, you need to get a commitment that the Legislator will advocate to increase spending on the SBDC by \$10 million in the FY 2014 budget.

What to Expect on Capitol Hill: *Questions that May be Raised*

Prepare to respond to the following questions:

General Issue: How do you move the conversation along when the reception is cool and the staff or Legislator is disinterested and has that glazed, dead fish look?

*Do your homework so you're prepared to know what their interests are before you go to the meeting. You need to begin with **their interests**. Also start by asking what are the current issues they are dealing with – you need to find their areas of concern so that you can find a connection to how the SBDC provides the solution to those issues. Focus on constituents so the Legislator can relate how you're important to what's important to her/him - the people that vote for her/him.*

1. **Legislator:** "Where does the program stand after sequestration and how much are you asking for in FY 14?"

The SBDC program was reduced by the same 5% as all other federal programs under sequestration, and the program is funded for this year at just under \$105 million. To enable us to meet the needs in the district and to vitalize our economy and create new jobs, the national program requires \$115 million. This is the amount that the Senate had requested in 2012 and just \$2 million more than the House requested that year. This modest investment will have significant impact – highlight the services that will occur in the district and the impact that will result. Plus, this investment more than pays for itself. In fact, this investment will make money for the government and is expected to generate over \$225 million in NEW tax revenues that can be used to support other government priorities.

2. **Legislator:** "If you are here to ask me about more funding for the SBDC, don't waste your breath; we don't have any more funding."

Re-focus the conversation on the ways you help small businesses in the district and emphasize you want to know additional ways we could help. Build their trust. Work to be sure they understand the services and impact that results from the program. Point out how the investment in the SBDC provides over \$200 million in NEW revenues to the Federal treasury that is used to support the government's other priorities.

3. **Legislator:** "How much additional funding will go to my district?"

Loop the conversation back to priorities within the District. If you promise an amount, be prepared to deliver.

4. **Legislator:** "What is needed for growth/better economic activity is tax breaks and cutting regulations. Government is the problem for small businesses. Government doesn't create jobs."

Explain how the SBDC helps small businesses be successful within the parameters of laws and regulations, whatever they may be. By helping small firms be more profitable and in compliance they are able to grow and add jobs.

5. **Legislator:** “I only have two minutes and I don’t want to talk about funding. What do you want?”

Tell the Legislator you want their support for the services that the SBDC delivers in the Legislator’s district. Explain what you do, and emphasize the impact that results. End with asking, “Is this something that you think is valuable to your constituents?”

6. **Legislator:** “I don’t support increasing government spending. We spend too much and your program is not a core government function which couldn’t be done by others. So, I’m sorry, but I won’t support more funding for you – even though you do great work. We need to get our deficit under control.”

Acknowledge that the Legislator agrees that your program does good work. Build on this support by emphasizing the impact that results from SBDC services. Link this impact to the fact that the very modest Federal investment in the SBDC provides over \$200 million in NEW revenues to the Federal treasury, thereby helping to address our fiscal challenges.

7. **Legislator:** “The government shouldn’t be in the position of picking winners and losers. Frankly, we need to get out of the business of economic development and let the market run its course.”

Explain how the SBDC provides services to all prospective entrepreneurs and small businesses that seek our assistance, and how we help them to assess their potential. If they want to proceed, we then help to identify how to be most competitive and profitable so they can be successful in the marketplace.

8. **Legislator:** “Why don’t I just take the \$100 million we give to SBDCs every year and divide it among 1,000 people (\$100,000 each) and just say start a business? Wouldn’t giving the money away be just as effective as giving it to you?”

I’m sure you’d make 1,000 people very happy, but kidding aside, SBDCs provide services to 500,000 people every year. Among those clients, there are hundreds of thousands of successes that generate a lot more return on your investment than random gifts.

9. **Legislator:** “Everybody comes in here promoting their ROI. Yesterday the library said theirs was \$26:1. We see through your pitch.”

I can’t speak for other programs, but as the GAO pointed out, the SBDCs have a conservative and validated process for data collection and reporting that has been in place for over twenty years that rigorously measures the performance of the SBDC program. We manage the SBDC like we advise our clients – we treat the taxpayer funds as an investment and not a charitable contribution; we manage the program to be sure it provides a strong return each year.

10. **Legislator:** “Why should I support this request for additional funds when it will mean so little for my district/state?”

Actually this will mean quite a lot for the district/state. The funds will enable us to deliver [explain your services] that will lead to [explain your impact, focused especially on the district]. Additionally, these funds will leverage an additional \$2 for every Federal dollar from local sources. This is a great deal for the Federal government!

11. **Legislator:** “There is nothing I can do about funding because we’re in the minority (or too new). When we get control back we’re going to re-prioritize and support [stuff other than the SBDC].”

Explain the services that your program offers, and emphasize the impact that results. End with asking, “Is this something that you think is valuable to your constituents?”

12. **Legislator:** “Why should I support giving you more money when you already get funding from other sources and the deficit is the largest problem facing the nation?”

Most of us totally agree that the deficit is a major concern, but investments in small business and entrepreneurship create jobs, reducing unemployment, and create tax-payers where subsidies were required. If the deficit is going to be controlled, spending cuts are only part of the answer, we must expand the economy and that will happen through small business.

13. **Legislator:** “I am/was a small business owner. I didn’t need an SBDC to help me succeed.”

Congratulate the Legislator on their success, and note that the Legislator’s success is an anomaly and that only 50-60% of most start-ups succeed. However, research has proven that companies started with SBDC assistance have a far greater likelihood of success. By helping prospective entrepreneur evaluate their concept for viability and then address their weaknesses, the SBDC prepares them to succeed like the Legislator. This helps to reduce the negative consequences that result from poorly prepared entrepreneurs who fail. As a result retirement savings are not wasted, college funds are not raided, second mortgages are not taken out, and bankruptcies are avoided.

14. **Legislator:** “So you want the government to provide funds to support establishing competitors for my business? That’s unfair”.

Reply...

15. **Legislator:** “Why should we support business advice for free? Why can’t they pay?”

The clients actually do pay for it, they work with the SBDC Advisors, usually when they are short of cash, and so hiring assistance would weaken the business. As they become more profitable, they hire staff and pay taxes because they are making money and can afford to.

16. **Legislator:** “I saw a report from GAO that indicates that we have too many programs for entrepreneurs and small businesses, and that there is a lot of duplication and overlap between them and that many are inefficient. Which programs do you think we should cut?”

We believe the GAO report offers a great framework for evaluating the effectiveness of entrepreneurial assistance programs. If you look at what they indicate are characteristics of best practices, the SBDC employs all of them. [Go through the fact sheet.] I don’t know if other programs operate this way too, but we would be happy if you used this framework for comparing the SBDC to these other programs.

17. **Legislator:** “You guys are the same as SCORE aren’t you? Why should we pay for your services when SCORE volunteers will do it for free?”

Try not to downgrade other service providers, instead talk about the many ways SBDC services are different – provided by professional staff; consistent availability; quality control processes; etc. Also, point out how the SBDC model is being adopted globally in many other countries to support entrepreneurship.

18. **Legislator:** "I'm very supportive of the Woman's Business Centers, they have specialized services for women which I support, so I can't support you."

We work with all the SBA programs and are very familiar with WBCs (SCORE, etc.). They do help promote small business and anything that gets entrepreneurs and small business owners to get the help they need is worth supporting.

19. **Legislator:** "What specifically would you do with more money and could you match it?"

Available federal funds help push local match. Additional funds will help highlight the need. (It's OK to say you don't have the funds available, but you will work to make match happen.)

20. **Legislator:** "I want a training program targeted at returning veterans, what can we do for them?"

Indicate that veterans make great entrepreneurs and past programs you have done or indicate that successful programs from other SBDCs are being offered, explored. Follow-up with another office, you can usually find programs elsewhere in the network that have been successfully deployed. Or, come up with a new one!

21. **Legislator:** "How many clients did you work with last year from my district? Did they make any investments and create jobs? Why didn't you tell me about them?"

If you have access to District maps and can plot clients, it's an easy discussion. If not, look at zip codes or any criteria that yields an estimate and follow-up with the data after the meeting.

22. **Legislator:** "I've never heard anything about you or your program, why not?"

Sorry to hear that, but don't you often hear from people when they complain? Maybe we're good enough so that people aren't complaining, but we'll try to have you hear from some of the satisfied clients and give you quarterly updates.

23. **Legislator:** "Can you tell me ten people I can call that you've worked with and will support you?"

Always a yes, promise to send the appropriate staff member a list, once you make sure the client is OK with you releasing their name. Watch out, it could be for a fund-raiser.

24. **Legislator:** "What will the _____ Chamber of Commerce (etc.) say about you?"

Obviously, the Legislator knows someone at that chamber and will probably ask, so just give a fair response and check out how the chamber will handle it.

25. **Legislator:** "Are you going to open a center in my district if I request additional funds for your program?"

Explain how centers are located and the local host requirements. Only promise to open a center if you can follow through with the appropriation we're talking about.

26. **Legislator:** "Small businesses fail, how do I know your services help?"

We track each client and survey them over time to see how they are doing and re-engage with them if needed. Our studies consistently show that SBDC clients do better than general small business in every type of economy and especially help during those very risky first few years.

27. **Legislator:** "Do you ever discourage an unqualified person from starting a business? How do you make that decision?"

We equip the entrepreneur with the skills to reach that determination on their own. It can be difficult if they are pursuing their dream, we just don't want it to become their nightmare.

28. **Legislator:** "Small business isn't important to my District, it's (rural, suburban, and urban)."

Try to agree, but raise the question of how many small businesses operate in the district, employing a lot of constituents and how they add to the quality of living in the District.

29. **Legislator:** "Do you know _____? You should, they run my District Office."

Be prepared with a staff listing of the district and Washington Offices. Follow-up with whomever the Legislator recommends.

30. **Legislator:** "The Center in my District has a director that we can't work with, can you correct that?"

Try and get examples of what they mean and promise to look into it. Obviously, this can be a very difficult situation, but one that needs to be seriously looked into.

31. **Legislator:** "I've got a fundraiser next week back in the District, have you ever attended one?"

If you go down that road, you'll personally go broke. However, sometimes an even minor contribution will mean a lot. That's a personal decision, but try not to say 'no', however, conflicts preventing your attendance happen a lot. You can also see if an Advisory Board Member has an interest and might attend for you.