

Congress of the United States
Washington, DC 20515

Friday, May 17, 2013

Honorable Ander Crenshaw
Chairman
House Appropriations Subcommittee on
Financial Services
Rayburn B-300
Washington, D.C. 20515

Honorable José Serrano
Ranking Member
House Appropriations Subcommittee on
Financial Services
Longworth 1016
Washington, D.C. 20515

Chairman Crenshaw and Ranking Member Serrano:

As you are aware, small businesses are critical to the nation's economy, creating two-thirds of net new jobs. An important resource for many of these firms is the Small Business Administration's (SBA) Small Business Development Center (SBDC) program, which provides critical training and counseling to America's entrepreneurs. With this in mind, we request that the Subcommittee provide SBDCs with funding equal to the FY 2012 program level, through the FY 2014 Financial Services and General Government Appropriations legislation.

SBDCs are the SBA's largest and most successful entrepreneurial development program, providing small business training and counseling through a national network of 63 lead centers and 900 locations. They deliver professional business advising and training focused on strategic planning, business development, financial planning and cash flow management to approximately 590,000 business clients annually. In 2012 this included helping 13,600 entrepreneurs start new businesses, providing long-term counseling services (5+ hours) to 62,000 clients, assisting clients obtain \$3.7 billion in capital for their businesses, and assisting 157 clients obtain \$754 million in federal government contracts. According to the Association of SBDCs, for every dollar spent on SBDCs, \$1.62 in state revenues and \$2.09 in federal dollars were generated.

Although SBDCs are an established program with a proven record, the President has requested in his FY 2014 budget submission that the program be cut by nearly \$10 million. Rather than adequately funding SBDCs, the administration has prioritized the funding of several unauthorized pilot programs, which lack sufficient performance metrics and have not been thoroughly evaluated. Given the current fiscal situation, we request that the SBDC program be funded at the FY 2012 level rather than funding these unauthorized pilot programs.

Having already endured a cut through the recent sequester, further funding reductions to the SBDC program at the expense of untested initiatives will serve only to impede entrepreneurship. During a period when new jobs are in demand, we should be prioritizing proven and fiscally

responsible programs like the SBDCs – and not duplicative and untried programs. Thank you for your attention to this important matter and for your support of America's small businesses.

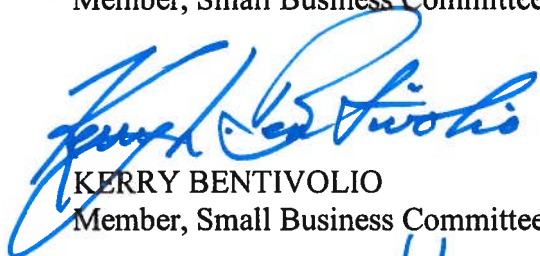
Sincerely,



JUDY CHU
Member, Small Business Committee



NYDIA VELAZQUEZ
Ranking Member, Small Business Committee



KERRY BENTIVOLIO
Member, Small Business Committee



STEVE CHABOT
Member, Small Business Committee



JANICE HAHN
Member, Small Business Committee



RICHARD HANNA
Member, Small Business Committee



GRACE MENG
Member, Small Business Committee



PATRICK MURPHY
Member, Small Business Committee



DONALD PAYNE
Member, Small Business Committee



SCOTT TIPTON
Member, Small Business Committee



MADELEINE BORDALLO
Member of Congress



TONY CARDENAS
Member of Congress



MATT CARTWRIGHT
Member of Congress



JOAQUIN CASTRO
Member of Congress



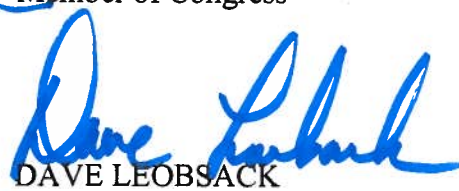
SHEILA JACKSON LEE
Member of Congress



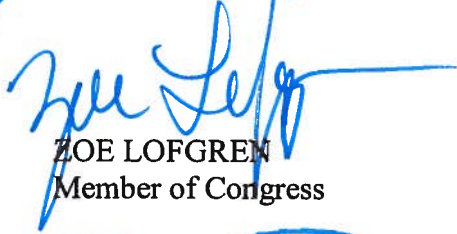
JOSEPH KENNEDY
Member of Congress



DEREK KILMER
Member of Congress



DAVE LOESACK
Member of Congress



ZOE LOFGREN
Member of Congress



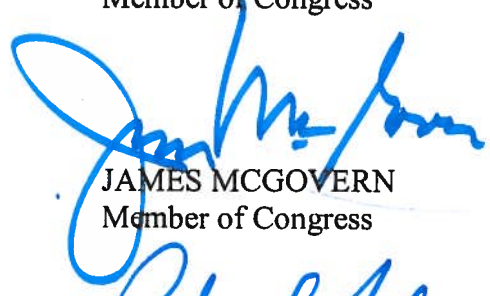
ALAN LOWENTHAL
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