



## PRESS RELEASE

### California Infrastructure and Economic Development Bank (IBank)

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## U.S. Treasury: California Allocates More Federal Small Business Funding Than Any Other State

**Sacramento, Calif.** – Executive Director of the California Infrastructure and Economic Development Bank (IBank) Teveia Barnes today announced that California has allocated more federal small business funds through the U.S. Treasury' State Small Business Credit Initiative (SSBCI) than any other state in the U.S.

“California is home to 3.4 million small businesses that require access to capital to continue expanding and adding jobs,” said IBank director Teveia Barnes. “IBank is pleased to join with the California Treasurer’s Office to administer these vitally important programs that have helped create or retain over 31,000 jobs in California since 2011.”

The U.S. Treasury Department released a report on the national SSBCI program on Thursday and outlined the success of the federal small business lending program. Of the more than \$1.1 billion the Treasury Department has disbursed to participating states, California has received more than \$167,000,000 and deployed \$89,000,000 for small business owners through the IBank’s Small Business Loan Guarantee Program and the California Capital Access Program and Collateral Support Program administered by the Treasurer’s Office. The remaining federal funds will be disbursed through 2017.

"Small business is a principal source of jobs for millions of Californians and is among the most vital elements of our state's economic success," said California State Treasurer Bill Lockyer. "Ready access to secure capital is the lifeblood of small business. SSBCI has allowed us to greatly expand the reach of the California Capital Access Program (CalCAP). California received the biggest allocation of SSBCI funds in the country and our success is shown by the

use of the program by our lenders and the benefits to California businesses."

SSBCI federal funds are available to state-run programs that work with private lenders to increase the credit available to small businesses, with the understanding that the aim is to have at least \$10 in new private lending produced from every dollar in federal funding. States have made considerable progress in deploying these funds to support economic growth locally. The states that have deployed the most SSBCI funds by dollar amount include: California, Michigan, Florida, Illinois, Alabama, North Carolina, Texas, New York, Ohio, and Georgia.

"Through the State Small Business Credit Initiative, the Treasury Department, states, and private sector lenders and investors are supporting small businesses and creating a lasting impact on the economy," said Clifton Kellogg, Director of the SSBCI program. "More than \$1 billion in State Small Business Credit Initiative funds have been distributed, making a real difference at the local level. Because of these funds, businesses have been able to buy new equipment, expand their facilities, and hire workers."

The federal program was created when President Obama signed into law the Small Business Jobs Act on September 27, 2010. The Treasury Department awarded allocations to all fifty states by early 2012, based on a formula set by the Small Business Jobs Act that considered population and unemployment levels. Each state designs its own small business programs, and five types of programs are eligible for SSBCI funds: Capital Access Programs, Loan Guarantee Programs, Loan Participation Programs, Collateral Support Programs, and Venture Capital Programs.

Today's announcement is part of an ongoing effort by the State to support small business financing. Earlier this year, the Governor's Office of Business and Economic Development (GO-Biz) awarded \$2 million in matching grants to 34 Small Business development Centers (SBDC) throughout the state to assist small business owners and entrepreneurs in obtaining capital.

To view the US Treasury's SSBCI Quarterly Report, [click here](#).

*About the California Infrastructure and Economic Development Bank: The I-Bank was created in 1994 to finance public infrastructure and private development that promote a healthy climate for jobs, contribute to a strong economy and improve the quality of life in California communities. The IBank is located within the Governor's Office of Business and Economic Development and is governed by a five-member Board of Directors. The IBank has broad authority to issue tax-exempt and taxable revenue bonds, provide financing to public agencies, provide credit enhancements, acquire or lease facilities, and leverage State and Federal funds. Find more information at: <http://www.ibank.ca.gov>.*

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