



Fact Sheet

1. What is the mission of SSBCI?

The mission of the State Small Business Credit Initiative (SSBCI) is to increase the availability of credit for small businesses and to generate jobs. SSBCI accomplishes its mission by funding state programs that promote lending and investment in small businesses. Our priorities are:

- To provide direct funding to states for (1) state capital access programs and (2) other credit support programs, designed to increase access to credit for small businesses. Congress has allocated Treasury almost \$1.5 billion in support across the 50 states, the District of Columbia, and the territories.
- To maximize state participation and to encourage the greatest possible participation from private-sector lenders and investors. Our goal is to promote the greatest efficiency and program impact through states, banks and private-sector investors.

2. What state programs are eligible?

- Capital Access Programs (CAPs): Under CAPs, the financial institution lender and the small business borrower each pay an up-front insurance premium, typically between 3% and 7% of the loan amount at the financial institution lender's discretion, which goes into a reserve fund held at the originating financial institution. The state matches the combined financial institution lender and borrower contributions with an equivalent state contribution into the same reserve fund. In a CAP, a financial institution lender uses its own underwriting standards for eligible loans without the need for a lengthy governmental review of each loan prior to closing. The CAP reserve fund induces a financial institution lender to make loans that may not be available elsewhere in the marketplace, with the reserve fund insuring the pool of CAP loans. Treasury estimates that 22 states and the District of Columbia currently have qualifying CAP programs.
- Other Credit Support Programs (OCSPs): These programs vary from state-to-state and include loan participation programs, credit guarantee programs, state-run venture capital fund programs, and collateral support programs. Treasury estimates every state currently operates a qualifying OCSP.

3. What are the SSBCI accomplishments to date?

- The SSBCI officially launched on October 8, 2010, when Treasury announced individual funding allocations for all 50 states, the District of Columbia, and U.S. territories.
- On December 20, 2010, Treasury posted policy guidelines and application materials on its website, available here: <http://www.treasury.gov/ssbcj>. A hotline (202-622-0713) and questions email inbox, SSBCIquestions@treasury.gov, opened on the same date.
- 48 states, 5 U.S. territories and the District of Columbia have submitted a notice of intent to apply for SSBCI funds.
- The first application was received on December 22, 2010 and the first award made on January 14, 2011.
- SSBCI Director Cliff Kellogg was appointed on January 31, 2011.
- SSBCI Deputy Director Mark Stevens was appointed on March 28, 2011.

4. What is the deadline for applying for funds?

Applications are available on the SSBCI website: <http://www.treasury.gov/ssbcj>. States may download the application and attachments from the website and email the completed documents to Treasury at SSBCIapplications@treasury.gov. Treasury must receive completed applications no later than 5:00 PM ET on June 27, 2011.

The Department of Treasury will continue an active outreach campaign to encourage participation.