



U.S. SMALL BUSINESS ADMINISTRATION
WASHINGTON, D.C. 20416

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BEFORE THE
UNITED STATES SENATE
COMMITTEE ON SMALL BUSINESS AND ENTREPRENEURSHIP
“SMALL BUSINESS RECOVERY: PROGRESS REPORT ON
SMALL BUSINESS JOBS ACT OF 2010 IMPLEMENTATION”
MAY 19, 2011

Madam Chairwoman, Ranking Member Snowe, and members of this committee, thank you for inviting me to testify today.

As you know, this week is National Small Business Week—a week in which we celebrate and empower the small businesses that drive our economy, keep America competitive, and create jobs.

The SBA is hosting a three-day conference here in Washington, DC, in which we’re honoring small business owners with awards for Small Business Champions, Small Business Persons of the Year, and more.

These small business owners and others like them have gotten a big boost from the Small Business Jobs Act.

Since passage of the Jobs Act in September 2010, SBA has worked hard to implement the many provisions that affected our programs. The Jobs Act affected all of SBA’s largest program areas, including our support for access to capital, small business contracting, counseling and training, and exporting. Some of these provisions were “quick fixes” and easy to implement. Others will take more time, but SBA is working diligently to implement every provision as soon as possible.

To begin with, almost immediately, the agency began making loans with the temporary increased guarantee and reduced fees authorized by the Jobs Act. This helped us put \$12 billion in loans into the hands of small business owners at a time when they needed that lending support more than ever.

Second, the Jobs Act also raised the limits on our loan sizes, from \$2 million to \$5 million. This increased size will help manufacturers, exporters, and other small businesses. For example, Great Falls Marketing in Auburn, Maine received approval of a \$2.6 million loan for purchase of an existing business. They anticipate creating 80 jobs with this loan.

The Jobs Act also contained 19 provisions to make it easier for small businesses to compete for and win more of the \$500 billion in federal contracts awarded each year.

For instance, the law reaffirmed equal treatment – or “parity” – across federal contracting programs. This means that, when awarding contracts that are set-aside for small businesses, contracting officers are

free to choose among businesses owned by women and service-disabled veterans, as well as businesses participating in HUBZone and 8(a) programs.

And the SBA quickly implemented the repeal of the Competitiveness Demonstration program, which will help small businesses compete for contracts in areas such as construction, landscaping and pest control.

Third, the Jobs Act also provided funds for counseling and training, including \$50 million for grants to our Small Business Development Centers. All of this money is out the door and going to fund innovative counseling projects, in areas such as exporting, regional innovation clusters, and support for young entrepreneurs and underserved communities.

The fourth and final way the Act is helping small businesses is through increased support for exporting. The Jobs Act raised the size limits on our International Trade and Export Working Capital loans to \$5 million and Export Express loans to \$500,000, and it made the Export Express program permanent. One company, Baker Sales in Slidell, Louisiana, received a loan of about \$3 million, which the owner will use to help the company begin exporting to emerging countries like Panama.

At the same time, SBA is reviewing and evaluating the first year proposals for the State Trade and Export Promotion grants pilot, which will fund \$30 million to state programs this year to increase exporting.

As we implement provisions of the Jobs Act, we have continuously sought input from small business owners, lenders, and other stakeholders.

SBA's Jobs Act Tour has already visited ten cities, with three more planned in the coming months. At each tour stop, top SBA officials are sharing information on how small business owners can take advantage of the Jobs Act, as well as talking with them about what works, what we can build on, and what needs to be improved going forward.

The response to the Jobs Act Tour has been overwhelmingly positive. In the surveys conducted after each tour stop, 92% of respondents "felt they had a chance to give input to SBA on its programs," 94% of respondents "learned new, valuable information about SBA programs," and 95% of respondents "thought they'd be able to use the information they learned at the event to help their business". We have had over 1900 attendees thus far, and we are expecting a total of 2600 by the end of the tour.

I am pleased to be here today to discuss our successes around the Small Business Jobs Act, as well as challenges that we face as we continue to implement its provisions. I am happy to take your questions.