



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

**WRITTEN TESTIMONY OF**

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**U.S. SMALL BUSINESS ADMINISTRATION**

**BEFORE THE**

**U.S. SENATE COMMITTEE ON SMALL BUSINESS  
AND ENTREPRENEURSHIP**

**JULY 24, 2013**

Chair Landrieu, Ranking Member Risch and members of the Committee – I’m pleased to be here today.

America’s 28 million small businesses are the backbone of our economy, creating two out of every three net new jobs and employing half of America’s workforce. The U.S. Small Business Administration (SBA) is committed to giving small business owners the resources they need to start and grow a business-- including access to critical information about how the Affordable Care Act is opening up better health care options for small business owners and entrepreneurs.

Many small business owners consider their employees to be part of their family, and providing benefits such as health care is one important tool they have to help retain their talented workforce and compete for skilled employees. The Affordable Care Act helps these entrepreneurs provide insurance through measures designed to help small business owners have the same purchasing power and options as large businesses. Tax credits are also available for many small businesses to help cover up to 35% of the premium costs of employee insurance. Hundreds of thousands of small business owners have already benefited from these credits, which will rise to 50% in 2014.

Beginning in 2014, the Affordable Care Act gives self-employed entrepreneurs and small businesses with generally up to 50 employees a better way to shop for insurance through the new individual and small employer Health Insurance Marketplaces. And the majority of small businesses will not be affected by the new Employer Shared Responsibility rules which take effect in 2015. In fact, businesses with fewer than 50 full-time or equivalent employees are not subject to these rules – that’s 96% of all businesses.

As the primary gateway for small business owners engaged with the federal government, SBA is working closely with the Department of Health and Human Services (HHS), Departments of Labor and Treasury, and others to ensure that small business owners know the facts about the Affordable Care Act. SBA is also partnering with HHS on the ground to leverage their expertise and connect them with small business owners across the country.

As part of our outreach efforts, SBA disseminates a bi-weekly, interactive health care blog as well as a direct e-newsletter that reaches more than one million subscribers. We’ve also created robust online

content at both SBA.gov and Business.U.S.A.gov. The two sites combined have more than 2 million visitors per month.

America's small business owners engage daily with SBA, HHS, IRS and our other federal partners through a variety of online sites. Therefore, as part of a "no wrong door" approach to online engagement, Business.U.S.A.gov is leading the Administration's efforts to provide comprehensive health care information and easy to use tools for businesses across these sites. This ensures that small businesses owners get the information they need, no matter their point of online entry.

SBA has also developed a series of comprehensive small business webinar trainings for our staff, our extensive network of Small Business Development Centers, Women's Business Centers, and SCORE, as well as staff from other federal agencies. To date, we've trained more than 2,200 of these "on-the-ground" staff and partners so that they in turn can serve as resources for small business in their communities.

At the same time, SBA is working with our regional and local partners to better educate small business owners served by our 68 district offices. Since February 2013, SBA has helped lead over 350 events, serving approximately 24,000 attendees. And on July 18, we launched a weekly Affordable Care Act webinar series in partnership with Small Business Majority to educate small business owners across the country. We've also worked with a number of national and state trade associations to educate their leaders and members about the Affordable Care Act.

The Affordable Care Act allows small employers to offer health coverage in a way that makes sense for their business and works for their bottom line. SBA is committed to leveraging our resources and federal partnerships to ensure that small business owners have the facts and resources they need to understand the law.

Thank you.