

SSBCI 2.0

Education · Advocacy · Research · Resources · Networking



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MAJOR VICTORY

for the development finance industry

- ▶ Reauthorization of SSBCI first introduced in March 2020 as part of CDFA's Comprehensive COVID-19 Recovery Strategy
- ▶ Briefed the Biden-Harris transition team about the importance of SSBCI
- ▶ Introduced again in January 2021
- ▶ Included in the American Rescue Plan
- ▶ Signed in to law by President Biden on March 11, 2021

WHAT'S IN SSBCI 2.0?

- ▶ \$10 Billion for the reauthorization of SSBCI
- ▶ Approximately \$5 Billion available to states to be distributed by formula based on 2020 unemployment numbers
- ▶ States will apply for funding and be given allocations in tranches; states can then further allocate to local intermediaries
- ▶ 10:1 leverage ratio is expected in aggregate for all of a state's programs by September 30, 2030

WHAT'S IN SSBCI 2.0?

- ▶ Allocations for key activities:
 - ▶ \$1.5B for socially and economically disadvantaged businesses
 - ▶ \$1B incentive program to encourage investment in socially and economically disadvantaged businesses
 - ▶ \$500M for tribal governments
 - ▶ \$500M for micro businesses
 - ▶ \$500M for technical assistance

INSIGHT FROM TREASURY

- ▶ Treasury has 30 days from March 11, 2021 to publish expected allocations to states
- ▶ Information for tribal governments will be posted shortly thereafter
- ▶ Treasury propping up basic website with information about SSBCI and will be available soon
- ▶ Additional guidance coming over the next 2-6 months, likely on a rolling basis
- ▶ CDFA has been asked to collect insights and requests from interested stakeholders and share with Treasury as they build program components

BREAKOUT ROOM DISCUSSION

- ▶ Randomly assigned to 7 breakout rooms
- ▶ Moderated by the CDFA team
- ▶ Discussion is NOT being recorded
- ▶ Comments will be presented to Treasury in an anonymous process, and help inform the resources offered by the SSBCI Coalition

BREAKOUT ROOM DISCUSSION

1. Are you aware of whether your state is already planning its SSBCI 2.0 application strategy? If so, what planning activities have occurred?
2. What questions can Treasury clarify regarding eligible use of funds?
3. What questions can Treasury clarify regarding definitions of key terms?
4. What questions can Treasury clarify regarding timing and/or compliance?
5. Are there examples of innovative program structures that you would like Treasury to weigh in on prior to the application process?
6. What information do you need to better understand SSBCI, develop new SSBCI programs, attract private investment, or facilitate capital deployment?

CDFA LEADERSHIP

- ▶ SSBCI Resource Center
- ▶ SSBCI monthly newsletter
- ▶ Weekly SSBCI Briefings
- ▶ Virtual educational offerings; in-person when it's safe to do so

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