

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
- ▶ President Biden expected to sign into law on March 12, 2021

HISTORY OF SSBCI

- ▶ \$1.5 Billion program introduced in 2010
- ▶ Leveraged 8:1 in private investment
- ▶ Supported 16,900 small businesses, resulting in the creation or retention of 190,000 jobs
- ▶ CDFA built the SSBCI Coalition, held several meetings and webinars for states, tracked best practices, made recommendations to Treasury on improvements, and spearheaded all advocacy efforts

WHAT'S IN SSBCI 2.0?

- ▶ \$10 Billion for the reauthorization of SSBCI
- ▶ Program runs through September 30, 2030
- ▶ Approximately \$5 Billion available to states to be distributed by formula based on 2020 unemployment numbers
- ▶ 10:1 leverage ratio
- ▶ Must have “CDFI and MDI Participation Plan”; must have “Pandemic Response Plan”

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 to states for legal, accounting, and financial advisory services

REACTIONS FROM STATES

- ▶ Encouraging leadership to support SSBCI
- ▶ Evaluating existing SSBCI programs; evaluating the need for new programs
- ▶ Identifying proactive strategies for engaging CDFIs and MDIs
- ▶ Preparing for application round
- ▶ Awaiting guidance from Treasury

CDFA LEADERSHIP

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

Join CDFA! Discounts to attend SSBCI Coalition meetings and exclusive access to the SSBCI Resource Center.



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