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Lieutenant Governor**FOR IMMEDIATE RELEASE**

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**RESOURCES AND LOAN ASSISTANCE AVAILABLE FOR STATE'S SMALL BUSINESSES**

COLUMBUS— A priority of the Ohio Treasurer of State Kevin L. Boyce, Ohio Department of Development, and the U.S. Small Business Administration is to provide small businesses with tools and resources they need to succeed in today's economy. Small businesses that may be looking for financial assistance can take advantage of a variety of loan programs. The programs include the GrowNOW, Ohio Capital Access Program, and the Basic SBA 7(a) Loan Program, which provides loans on a guaranty basis by lenders as well as the 504 loan program.

"Through GrowNOW the Ohio Treasury strategically invests in the people of Ohio by providing small businesses with reduced interest rate loans, an invaluable asset during these troubled economic times," said Treasurer Boyce. "By acquiring CDs from a variety of banks, the Treasury passes on savings to borrowers, increases the liquidity of lenders, and provides an economic stimulus—all through an entirely transparent process."

The Ohio Treasurer's GrowNOW interest rate reduction program is designed to help small businesses grow by providing them with critical cash flow. GrowNOW provides Ohio small businesses with a 3 percent interest rate reduction on bank loans when the business is creating or retaining jobs in the state. For every job the business creates or retains, GrowNOW will reduce the interest rate by 3 percent in \$50,000 increments, up to a \$400,000 maximum. To be eligible a business must employ less than 150 workers, have an office in Ohio, and be an organized for-profit. For more information about GrowNOW, contact the Treasurer of the State's office at (614) 466-6546 or visit [www.grownow.ohio.gov](http://www.grownow.ohio.gov).

"Small businesses are key economic drivers by creating approximately 60 to 80 percent of all net new jobs annually and their contribution is critical to our state's economy," said Interim Ohio Department of Development Director Mark Barbash. "We encourage small businesses to take advantage of these financial resources that will help sustain and grow their business in a globally competitive market."

The Ohio Capital Access Program strives to encourage state depository financial institutions to make loans to for-profit or non-profit businesses that are having difficulty obtaining business loans through conventional underwriting standards. The Ohio Capital Access Program supports lending by establishing a loan "guarantee" reserve pool at an Ohio Capital Access Program participating lending institution. The state, the lender, and the borrower each pay a small fee contribution into the pool. The reserve pool is available to the participating lender for recovery of any losses on any loan they have enrolled in the Ohio Capital Access Program. Financial institutions must enter into a Capital Access Program participation agreement with the Department to be a participating lender.

Small businesses should apply for a working capital, refinance, or fixed asset loan with any participating lender. For more information about the Ohio Capital Access Program or to find a participating lender, contact the Department's Minority Business Enterprise Division at (614) 644-7708 or visit [www.development.ohio.gov/CAP](http://www.development.ohio.gov/CAP).

“We are optimistic about the positive changes the stimulus bill has made in our ability to fund small businesses,” said Tom Mueller, Director of the Small Business Administration Columbus District Office. “With the elimination of all fees for our 7(a) loans and an increase to a 90 percent guarantee for our lenders, capital should once again begin flowing to small businesses.”

The stimulus bill also authorized the Small Business Administration to develop a new loan program that should help many small businesses that are finding it difficult to meet current loan obligations. The new loan program allows viable small businesses to borrow up to \$35,000 at 0 percent interest with a 100 percent guarantee from the Administration to make payments on qualifying business loans for up to six months that they are having difficulty in paying at this time. Repayment on this loan would not begin for one year.

The Small Business Administration is working on many fronts to free up capital for small businesses. In addition to our traditional loan programs, the Administration has enhanced our micro loan, surety bond, and venture capital programs which will help encourage a greater flow of capital to small businesses. Behind the scenes, the Administration is also working to free up the secondary market where many of the lenders would sell the Small Business Administration backed loans enabling them to extend credit to additional small businesses.

“It will take time for the Small Business Administration to implement all the provisions in the stimulus bill but we are already seeing some positive signs that what we are doing is working,” concluded Mueller.

For more information about the Basic SBA 7(a) Loan Program, call (800) U-ASK-SBA (800-827-5722) or visit [www.sba.gov](http://www.sba.gov).

**For more information about Ohio Department of Development loans and grants for businesses, visit [www.development.ohio.gov](http://www.development.ohio.gov).**

*Working with our partners across business, state and local governments, academia, and the non-profit sector, the **Ohio Department of Development** works to attract, create, grow, and retain businesses through competitive incentives and targeted investments. Engaged every day in marketing, innovating, investing, and collaborating, the **Ohio Department of Development** works at the speed of business to accelerate and support the teamwork that is absolutely necessary for success by providing financial, informational, and technical assistance to those making an investment in Ohio’s future.*

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