April 28, 2014

RE: Budget Amendment 381: Small Business Technical Assistance Program

Dear Representative:

We are writing to ask for your support of Amendment #381 sponsored by Rep. Sarah Peake and 30 co-sponsors that would provide vital funding to support small businesses in your district and across the state. This amendment would appropriate $2 million to the highly successful *Small Business Technical Assistance Program* currently administered by the Massachusetts Growth Capital Corporation (MGCC).

This program was originally created by the Legislature in 2006. Since that time, the program has allocated funding through a *highly transparent and competitive process* to approximately 20 – 25 agencies each year, enabling thousands of business owners to benefit from professional business counseling. Last year, MGCC allocated $700,000 and achieved a tremendous return on investment with over 900 businesses receiving help with business plans, financial accounting, marketing, permitting and access to capital. The data collected by MGCC confirms the program's results:

- 156 (17%) new businesses were created

- 283 (31%) businesses stabilized

- 296 (33%) businesses grew as a result of services provided by our grantees

- These businesses created nearly 500 jobs and preserved another 300 jobs

- 500 businesses (55%) were women; 310 (34%) minorities; 226 (25%) immigrants;

- 499 businesses (55%) located in urban and rural low-moderate income communities and 511 businesses (56%) were low or moderate income entrepreneurs.

For the past three years, MGCC has been using its financial reserves to fund this program – a stop gap measure that worked during the recession but is not sustainable. Now is the time to return this proven program to the state's operating budget. Rep. Peake's amendment would restore the program to its pre-recession funding level for $2 million so we can expand and deepen the program's impact across the Commonwealth.

Thank you for your consideration.

Sincerely,

Joseph Kriesberg
President & CEO