

**Women Impacting Public Policy
Annual Legislative Meeting**

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Washington D.C.

**As Prepared For:
Karen G. Mills
SBA Administrator**



Thank you, Jennifer and good morning everyone. I want to especially thank Barbara for the invitation. I also want to recognize everyone at WIPP for making this event happen.

WIPP is such a strong voice for women-owned small businesses. You push for increased access to capital... more opportunities in contracting... healthcare reform... and more.

I know first-hand just how important those things are because I've owned a small business myself, and I've invested in women-owned small businesses. So, I know I'm probably preaching to the choir, but I think that we still have a lot of work to do.

The good news is that we have a President who "gets it." The first law he signed was the Lily Ledbetter Fair Pay Act. One of the first groups he created was the Council on Women and Girls which focuses on educational opportunities and economic independence. And of course, some of his first hires at Homeland Security, Labor, HHS, the State Department, and others throughout the federal government are dynamic women leaders.

It's part of the reason I feel so honored to serve in this Administration.

I'm also pleased to have a number of dynamic women working with me at SBA: Ginger Lew, my senior advisor who many of you heard from yesterday, Chief of Staff Ana Ma, White House Liaison Meaghan Burdick, General Counsel Sara Lipscomb, the heads of entrepreneurship as well as International Trade are all women.

It's important that we have women leaders at SBA. It reflects the fact that women-owned firms are one of the fastest growing segments of our small business community.

In 1970, only about 5% of businesses were owned by women. Today, it's about 30% or more than 7 million small businesses – with an overall economic impact now in the trillions. And that leads me to say this: If the SBA works side-by-side with America's women-owned small businesses, I know we can help lead our nation out of recession and into recovery.

The question we need to answer today is, How do we do that? I think the answer comes in three parts: The Recovery Act, our partnership with WIPP and its members, and our collective voice on behalf of America's small businesses

First, the Recovery Act – the stimulus

Last October, credit froze and small businesses were looking for a lifeline. The new Congress & Administration understood we needed to get capital flowing again. That's why the stimulus included \$730 million for SBA

More than half of those funds were put in place in March, including two temporary changes to our top two loan programs. First, we reduced and eliminated fees in our 7(a) & 504 programs. Second, we increased the guarantee on our 7(a) loans up to 90%.

The consensus after 6 months is that it's working, and it was a smart investment.

SBA weekly loan volume is up about 60% compared to the 2 months before the Act. We've supported more than \$11 billion in lending so far. We're back near 2008 levels in weekly loan volume.

Just as importantly, more than 1,200 lenders came back to SBA who hadn't been doing SBA loans since October, half of whom hadn't made SBA loans since 2007. We're creating a bigger network with more points of access.

I'm pleased to say that we're putting a good portion of this money in the hands of women entrepreneurs and small business owners. In fact, nearly 1 in 5 SBA Recovery Act loans have gone to women-owned small businesses. That means we have approved more than 6,500 loans with total lending support of \$1.7 billion.

That's part of who we are and what we do at the SBA. In fact, the Urban Institute reported that SBA loans are three to five times more likely to go to women and minorities than conventional loans.

We will continue to build on this commitment to serve women and other populations that have trouble finding credit in the conventional lending market.

And, with all of our lending efforts, we will continue to create jobs. I'm pleased that our borrowers report that they are saving/creating more than 100,000 jobs around the country.

I want to thank all of you who are spreading the word about our temporary loan program enhancements to women in your communities.

And we're not stopping there.

We're also renewing the SBA's commitment in federal contracting. We're working across the Administration to ensure small businesses can deliver at least 23% of federal contracts.

This is a win-win. Small businesses get increased volume, sales, and hires. They get a "lift" to be competitive in the global marketplace. Federal agencies get to work with innovative, nimble, responsive companies, often with a direct line to the CEO.

So far, we're hitting that 23% goal with Recovery Act contracts, and we are working very hard to reach the 5% goal for women-owned firms.

Right now we're at about 4% with Recovery Act contracts for women-owned firms – well over half-a-billion dollars. We have also been working to develop the rule to implement the Equity in Contracting for Women Act which passed in 2000. We are now getting the final clearances on the women-owned small business contracting rule within the SBA. Within the next few weeks, we will submit the rule to OMB. Then, we look forward to making the proposed rule available for comment from groups like WIPP. Then, we'll analyze the comments and we'll issue a final rule next year.

But what I want to tell you today is that the real work has already begun.

Several weeks ago, the President and the Vice President voiced their support for a government-wide push for contracting with small businesses... as well as all businesses owned by women, minorities, and veterans. The President said providing the maximum practicable opportunity for small business contracting is "essential."

At the same time, Vice President Biden tapped me and Commerce Secretary Locke to spearhead a major push with contracting.

We're well on our way. SBA & Commerce are participating in more than 200 events related to procurement efforts. We're promoting matchmaking between procurement officers

and businesses like yours. And we're encouraging small businesses everywhere to register on the Central Contractor Registry and aggressively market themselves to federal agencies.

In addition, just a month ago, we rolled out an online course: "How to Win Federal Contracts." I'm very pleased to announce that we already have nearly 8,000 people registered – that includes more than 3,000 women.

On top of that, I'm pleased to announce a brand new development in the last 48 hours. We have posted the SBA's first-ever online training module specifically geared toward women in contracting. It's called "Winning Federal Contracts: A Guide for Women Entrepreneurs." This is a simple but powerful tool for women who are ready to learn the ropes in contracting, so please help us spread the word about this new tool which is available at www.sba.gov/womenscontracting

And we know that efforts like these couldn't come at a better time, with billions more in stimulus contracts heading out the door.

Each SBA loan and each federal contract given to a small business means a job saved or created... a business that can keep its doors open... or even a business that grows and expands. And if we keep working together, we will ensure that taxpayers get a big bang for their buck, and we will do it every step of the way with women-owned small businesses.

I've heard some great success stories lately

I recently was at the Denver Convention Center for the U.S. Hispanic Chamber of Commerce meeting. One of their awardees was the woman who owned the business that actually helped to build that Convention Center. I also was recently at the FORTUNE Women's conference with some of the most powerful women in business. And this morning, it was great to hear so many great stories from the WIPP community.

Women-owned businesses around the country need to know that the SBA and our partners stand ready to help them create their own success story.

We have a great "bone structure" with 68 field offices around the country, 111 Women's Business Centers, about 900 Small Business Development Centers, and more than 350 chapters of SCORE

This adds up to thousands of people around the country who are conducting training, who are helping draft business plans, who are giving sound advice based on first-hand experience, and much more.

And we're investing in this bone structure. For example, we are about to start training the staff at Women's Business Centers in how to help women business owners pursue federal contracts. As a result, when a woman entrepreneur in your community has questions about competing for a federal contract, you will know exactly where to refer them: the local Women's Business Center.

And I know that all of you are leaders in your business communities. That's why all of us need to speak out as strong voices on behalf of America's small businesses.

We know from a number of surveys nationwide that the #1 concern of small business owners is access to affordable health care. In fact, WIPP's own survey this year showed that 72% of the membership said that comprehensive health insurance reform is urgently needed.

Small businesses pay up to 18% more per employee than large firms for insurance. 13 million of the uninsured come from small businesses with less than 100 workers.

These are all reasons why President Obama recently spoke at a Joint Session of Congress. He said we need to make sure that if an entrepreneur strikes out on their own to start a small business, that he or she will be able to find affordable coverage. And he said we need a way for small business owners and employees to find affordable options, possibly with tax credits based on need. I know that tax credits are an idea that WIPP has been strongly supportive of and mentioned in testimony to Congress.

And today, we must all speak out in saying that the current situation is untenable.

Women-owned small businesses have huge potential for growth. They are poised to lead our nation into economic recovery and prosperity in the 21st century. But they simply can't do it unless they can find more affordable and accessible health insurance choices for themselves and for their workers.

The SBA will continue to serve as the strongest possible voice for small business on healthcare and other pressing issues. And our voice will become stronger every day if we stand together with businesses like yours.

Let me just close with a quote from a philanthropist who has a truly global perspective on women's issues. Melinda Gates said, "A woman with a voice is by definition a strong woman. But the search to find that voice can be remarkably difficult."

It is truly an honor to be in a room with so many women who have found their voices both through WIPP and through your own leadership in the business community.

I want to thank you for lending your voice to help the SBA achieve its top priorities: whether that be with the Recovery Act... with our important partnership... or with the most pressing issues that affect the women-owned small business community.

Together, I know we can help more and more women find their own voices as they pursue and achieve the American Dream.

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