



# Congresswoman Tammy Baldwin

*Representing Wisconsin's Second Congressional District*

## **Business InfoPack**

### Federal Assistance to Small Business

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#### **Internet Resources**

- Congresswoman Tammy Baldwin <http://www.house.gov/Baldwin>
- Small Business Administration <http://www.sba.gov/>
- Service Corps of Retired Executives <http://www.score.org/>
- Small Business Development Centers <http://www.uwsbdc.org/>
- Overseas Private Investment Corporation <http://www.opic.gov/>
- Business Procurement Assistance Center <http://www.madison.tec.wi.us/bpac>

#### **Other Related *InfoPacks* from Congresswoman Tammy Baldwin**

- *Business InfoPack: Minority Business Contracting with the U.S. Government*
- *Business InfoPack: Applying for Small Disadvantaged Business (SDB) Certification*
- *Business InfoPack: Federal International Trade Assistance*
- *Grants InfoPack: Identifying Federal Grant Opportunities*
- *Grants InfoPack: Applying for Federal Grants*
- *Grants InfoPack: Identifying Private Funding Sources*

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• (608) 258-9800 • Fax (608) 258-9808 •

Washington Office • 1022 Longworth House Office Building • Washington, D.C. 20515  
Website: [www.house.gov/Baldwin](http://www.house.gov/Baldwin)

## INTRODUCTION: PROGRAMS OF THE SMALL BUSINESS ADMINISTRATION

The United States Small Business Association provides financial, technical, and management assistance to help Americans start, run, and grow their own businesses. With a portfolio of business loans, loan guarantees, and disaster loans of more than \$45 billion, SBA is the nation's largest single financial backer of small businesses. The SBA also plays a major role in the government's disaster and relief efforts by making low-interest recovery loans to both homeowners and businesses.

General contact information for the SBA in the Second Congressional District is as follows:

### **U.S. Small Business Administration**

740 Regent St, Suite 100

Madison, WI 53715

Phone (608) 264-5263

Fax: (608) 264-5541

Website: <http://www.sba.gov>

Certain size standards define "small business" for the SBA. The SBA's Office of Size Standards works to establish standards under which businesses can qualify for assistance through the SBA. Duties include conducting economic studies of industry structures, evaluating requests to change size standards, conducting industry hearings, and presenting issue papers on firm size. More information is available online at <http://www.sba.gov/size/>. The office may be reached at [SIZESTANDARDS@sba.gov](mailto:SIZESTANDARDS@sba.gov) or by calling (202) 205-6618.

The SBA provides consumer-oriented, full-service programs. At the above address, you may also obtain additional information about the SBA's work in recent years and previous SBA projects with in the Second Congressional District. Perhaps most importantly, the Madison SBA can provide information about the SBA's extensive programs for small business owners. Below is an overview of the SBA's programs and services.

### **1. Financing A Business**

The SBA also sponsors a series of loan programs directed at further improving small business access to funds. General information concerning the different programs is available online at <http://www.sba.gov/financing/indexloans.html>.

**SBA Loan programs include the following:**

- **7(a) Loan Programs**

One of the SBA's primary lending programs, the 7(a) program provides loans to small businesses unable to secure financing on reasonable terms through normal lending channels. The program operates through private-sector lenders that provide loans, which are in turn guaranteed by the SBA. A maximum of 2 million dollars has been established for 7(a) loans, and loan recipients are chosen based on their ability to repay, their management ability and character, the quality of their business plan, and their equity share in the loan. Information about eligibility and application procedures is available online at

*<http://www.sba.gov/financing/fr7aloan.html>*

- **LowDoc Loan Program**

This loan program supplies small businesses with small (limited to \$150,000) loans available soon after application. For more information about obtaining one of these loans, visit the website

*<http://www.sba.gov/financing/frlowdoc.html> or call (606) 436-0801.*

- **SBA Express**

This loan program allows approved lenders to grant small business loans more quickly and more easily. The SBA guarantees these loans. Two sub-programs operate as part of SBA Express: SBA Export Express, which facilitates lending to exporting businesses; and Community Express, which focuses on business located in low- and moderate-income areas. For more information about how to become involved, call 1-800-697-4636 or see the website at

*<http://www.sba.gov/financing/frfastrak.html#works>.*

- **U.S. Community Adjustment and Investment Program (CAIP)**

The CAIP promotes economic implementation of the adjustment by increasing the availability and flow of credit and encourages business development and expansion in areas impacted by the North American Free Trade Association. It tries to stimulate investment and economic growth in these areas by encouraging lending and small business development.

- **Certified Development Company (504) Loan Program**

The CDC (504) Loan Program provides small businesses with long-term, fixed-rate financing for physical capital investments such as the purchase of land and buildings. Information about eligibility and application processes can be found online at

*<http://www.sba.gov/financing/frcdc504.html>*

or by contacting the following office:

Wisconsin Business Development Finance Corporation

<http://www.wbd.org>

One S. Pinckney Street, Suite 504, Madison WI 53701-2717

Mailing Address: P.O. Box 2717, Madison WI 53701-2717

Phone: (608) 258-8830 Fax: (608) 258-1664

Mr. John M. Giegel, Executive Director;

Diane Pasley, Senior Loan Officer; Joe Wolfe, Chief Financial Officer;

John Macke, Portfolio Manager

- **CAPLines**

Through this program, the SBA finances small businesses' working capital needs. Five subprograms focusing on specific costs -- including contracting costs and renovation costs -- operate under the auspices of the CAPLines program. For details on these programs and how to apply, visit the website at

<http://www.sba.gov/financing/frcaplines.html#general>

- **International Trade Loans**

Directed solely at small businesses engaged in international trade, this program offers loans for both fixed-asset and working-capital loans up to \$1,250,000. Information is available online at

<http://www.sba.gov/financing/frinternational.html>

- **Export Working Capital Program**

This program provides small businesses otherwise unable to obtain loans for short-term working capital. Additional information can be found online at <http://www.sba.gov/financing/frexport.html>

- **Pollution Control Loans**

Pollution Control Loans provide loan guarantees to eligible small businesses for the financing of the planning, design, or installation of a pollution control facility. This facility must prevent, reduce, abate, or control any form of pollution, including recycling. Details and information about eligibility and application procedures can be found online at

<http://www.sba.gov/financing/frpollute.html#general>.

- **DELTA Loans**

The DELTA program offers loan support to small businesses impacted by cuts in the defense industry. DELTA loans may finance working capital, acquisition of assets, raw materials or inventory, capital improvements, and refinancing of current debt. Additional information can be found at the website, <http://www.sba.gov/financing/frdelta.html>.

- **Prequalification Pilot Loan Program**  
Targeted at low- and moderate-income small business owners, new market customers, disabled small business owners, new and emerging businesses, veterans, exporters, rural and specialized industries, this program uses intermediaries to help loan applicants secure loans. For more information, visit the website at <http://www.sba.gov/financing/frprequal.html#general>.
- **Qualified Employee Trusts Loan Program**  
This program assists Employee Stock Ownership Plans. For information, see the website at <http://www.sba.gov/financing/frqet.html#general>.
- **Microloans**  
The SBA Microloan Program supplies very small loans (average size is \$10,500) to start-up or growing businesses. It does so by making funds available to nonprofit intermediaries who in turn offer loans to small businesses in their communities. In addition to distributing loans, intermediaries also provide business based training and technical assistance to its microborrowers. In the Second Congressional District, the SBA microloan program is located at

Microloan Program  
Impact Seven, Inc.  
1410 W. Wilson St., Madison, WI 53701  
(608) 251-8450

## 2. Business Training Initiatives

The Office of Business and Community Initiatives administers a number of programs and services designed to provide information, education, and training to prospective and existing small business owners. The Office also sponsors online business training at <http://www.sba.gov/classroom/>.

**The Office of Business and Community Initiatives' programs include the following:**

- **Office of Business Education and Resource Management**  
This office engages technical experts, academics, and members of the business community to provide management and business development programs. For information about how to become involved, call 202-205-6665.

- **Co-sponsorships**  
Through this program, the SBA matches small business owners with members of the private sector who provide counseling, publicity assistance, seminars, and problem solving. For more information call 202-205-6665.
- **Incubators**  
These shared facilities encourage entrepreneurship and minimize obstacles to business formation and growth by housing businesses together. For information, call 614-543-4331.

**The SBA also operates two training programs independently of the Office of Business and Community Initiatives:**

- **Service Corps of Retired Executives (SCORE)**  
SCORE is a national nonprofit organization with 11,500 volunteer members and 389 chapters throughout the U.S. and its territories. The members of SCORE are dedicated to entrepreneurial education and the formation, growth, and success of small businesses nationwide. SCORE volunteers serve as “counselors to America’s small businesses.” Working and retired business owners and executives donate their time to provide low-cost workshops and free counseling. More than 4.2 million clients have received SCORE counseling since 1964.

SCORE offers financial workbooks and planning guides in several areas:

- ❖ Setting up your home office
- ❖ Office efficiency
- ❖ Online purchasing
- ❖ How to secure financing
- ❖ How to choose the best bank for you
- ❖ Small business leasing

SCORE also has a website that provides free e-mail counseling and a monthly “How-To” feature that gives answers and tips on small business ownership at <http://www.score.org/>.

**For More Information about SCORE:**

Madison SCORE  
MG&E Innovation Center  
505 South Rosa Road  
Madison, WI 53719  
Phone: (608) 441-2820 Toll Free: 1-800-634-0245

- **Small Business Development Centers (SBDCs):**

SBDCs provide business education at over a dozen locations throughout Wisconsin. SBDC professionals analyze the needs of small business owners and provide links to tools and resources for business success. The SBDCs also offer free individual counseling services and low-cost courses in a wide variety of interest areas, including

- ❖ Accounting
- ❖ Personnel management
- ❖ Cash flow management
- ❖ New product ideas
- ❖ Financial analysis
- ❖ Marketing and sales
- ❖ Inventory control
- ❖ International trade

**For More Information about the SBDC:**

**UW Madison Small Business Development Center**

Room 3260, 975 University Avenue

Madison, WI 53706

Phone: (608) 263-2221

### **3. Investment Opportunities**

Through the Small Business Investment Opportunities Program (SBIC), the SBA aims to encourage small business access to venture capital. SBICs are privately owned and managed investment firms that use their own capital along with funds borrowed at favorable rates with an SBA guarantee. The program works with all types of small businesses from services to manufacturing. To seek funding from an SBIC, a small business must research the different SBICs to determine which have specific interests matching the companies' work. Then, the small business should prepare a detailed plan outlining general plans and giving specific information requested by the SBA for an SBIC application. For more details concerning this process, or more general information about SBICs, visit the website at <http://www.sba.gov/INV/> or e-mail [sbic@sba.gov](mailto:sbic@sba.gov).

## 4. International Trade

The SBA helps small businesses participate in international trade through this office, which publishes reports and guides for interested small businesses, hosts an Internet service for internationally trading small businesses, provides loans for exporters, and sponsors events on the theme of small businesses and international trade. Three international loan programs run through this office: the Export Working Capital Program, the International Trade Loan Program, and the SBA Export Express. Additional information about these programs and publications is available online at <http://www.sba.gov/oit/> or by e-mailing [christopher.eskelinen@sba.gov](mailto:christopher.eskelinen@sba.gov). The U.S. Department of Commerce also supplies information for those wishing to conduct business abroad at [www.commerce.gov](http://www.commerce.gov). The Overseas Private Investment Corporation (OPIC) also provides assistance with overseas trade:

- OPIC is committed to helping America's small businesses grow through investment in emerging markets around the world. U.S. companies with annual revenues less than \$250 million are eligible for OPIC's small business programs.

Small business projects eligible for OPIC's support include:

- ❖ New investments, privatizations, expansions, modernizations
- ❖ Formation of a new branch office, sales office, or service center
- ❖ Warehousing or small assembly operations
- ❖ Contracting to provide constructions, advisory, or technical assistance services, and exporting equipment

OPIC's programs include the following:

- ❖ **Political Risk Insurance**  
If businesses are investing in overseas projects, OPIC can cover three political risks: currency inconvertibility, expropriation, and political violence.
- ❖ **Finance Assistance**  
OPEC can provide several types of loans, some of which may be helpful to small business owners. These included corporate finance direct loans (minimum \$250,000), project finance direct loans (which fund overseas investments in expansion facilities, permanent working capital, and fixed assets), and contractors' finance assistance. For more information about how these and other OPIC programs can help small businesses, contact information for OPEC's small business office is below:

**Investment Development**

OPIC Small Business Adviser:

E-mail: [smallbiz@opic.gov](mailto:smallbiz@opic.gov)

Phone: (202) 336-8690

Fax: (202) 408-5145

**Additional Trade Resources:**

Congresswoman Baldwin has a more detailed *Business InfoPack* available entitled *Federal Assistance in International Trade* in paper copy from the Congressional district office in Madison, or online (Summer 2001) at <http://www.house.gov/Baldwin>.

For detailed visa and passport information, information on travel advisories, and other matters related to international travel by American citizens, visit the website of the U.S. Department of State, <http://www.state.gov>.

For detailed immigration and naturalization questions, including foreign national employee work authorization information, visit the Immigration and Naturalization Service website, at <http://www.ins.gov>.

Additionally, see the Section above entitled *Financing A Business* for information on loans for international trade activities.

**5. Government Contracting**

The federal government sets aside a certain percentage of all federal contracts made each year for small businesses. Most government contracting for small businesses works through the SBA's program for disadvantaged businesses; however, several programs useful to all small businesses run through the office of government contracting, including one aimed at securing natural resources for small businesses and another directed at matching small businesses with large government defense contractors. More information on these and other programs is available online at <http://www.sba.gov/GC/>. In the Second Congressional District, the Business Procurement Assistance Center can help small businesses procure government contracts:

**Business Procurement Assistance Center**

The BPAC assists area businesses that are interested in selling their products or services to the federal government. It provides an automatic

bid matching service, the latest releases of Federal and military standards, access to past procurement information, and current information on electronic commerce and electronic data interchange. BPAC also publishes a quarterly newsletter describing opportunities available for small businesses in the Madison area (including procurement possibilities). More information is available at the following address:

Madison Area Technical College—Downtown Education Center  
211 North Carroll St. Room D415, Madison, WI 53703

Phone: (608) 258-2330 Fax: (608) 258-2329

E-mail [BPAC@Madison.tec.wi.us](mailto:BPAC@Madison.tec.wi.us)

Website: <http://www.madison.tec.wi.us/bpac>

### **Additional Contracting Resources**

Congresswoman Baldwin has additional InfoPacks available regarding contracting with the federal government. Contact the Congressional district office in Madison, or review InfoPacks online (available Summer 2001) at <http://www.house.gov/Baldwin>.

The government-wide website for federal contracting information is located at <http://www.fedbizopps.gov>.

## **6. Special Assistance Programs**

The SBA also provides special assistance for certain types of individuals or businesses as follows:

### **A. Assistance to Small and Disadvantaged Businesses**

The SBA sponsors several programs for businesses that qualify as “disadvantaged.” To qualify as such, small businesses must be owned and controlled by a socially and economically disadvantaged individual. African Americans, Hispanic Americans, Asian Pacific Americans and Subcontinent Asian Americans are presumed to qualify, whereas those who do not belong to these groups must provide evidence of disadvantage.

The SBA administers two specific programs aimed at small, disadvantaged businesses (SDBs):

#### **❖ SDB Certification**

The federal government allots a certain percentage of its contracts each year to SDBs. Classification as an SDB allows certain bidding benefits when bidding for federal contracts. Additional information is available online at <http://www.sba.gov/sdb/> or by calling (202)

619-0610. In addition, Congresswoman Baldwin's office issues another *InfoPack* concerning the application process for SDB status. Contact the Congressional district office in Madison, or review *InfoPacks* online (available Summer 2001) at <http://www.house.gov/Baldwin>.

❖ **8(a) Business Development**

While SDB certification applies solely to federal procurement opportunities, the 8(a) program provides a broader range of services. Through public/private partnerships, 8(a) classification provides certain benefits in applying for both federal and non-federal contracts. In addition, 8(a) participants can become part of the Mentor-Protégé Program, which pairs small business owners with members of the private sector for assistance. Additional information can be found online at <http://www.sba.gov/sdb/>. Congresswoman Baldwin's office also publishes an *InfoPack* about minority business government contracting.

**B. Assistance for Women**

The SDB sponsors a wide variety of programs aimed at encouraging women in small business. These include specially designated women's business centers; an online women's small business network; and the Women's Network for Entrepreneurial Training a network of experienced female business leaders to act as mentors. In addition, female-owned businesses can obtain special consideration and assistance from the SBA in federal contract procurement. Information about these and other resources is available online at <http://www.sba.gov/womeninbusiness/> or by calling (202) 205-6673.

**C. Assistance for Veterans**

The SBA provides assistance for veterans interested in starting businesses. Veterans may apply for certain SBA loans and qualify for other general SBA services. In particular, the SBA operates Veterans Business Development Centers, where SBA representatives help veterans plan and prepare for business endeavors. The Veterans Business Outreach Program works on similar issues. The Center serving the Second Congressional District is located in Milwaukee at the following address:

John Lonsdale  
Wisconsin District - Milwaukee Office  
310 West Wisconsin Avenue, Suite 400, Milwaukee, WI 53203  
Phone: (414) 297-1231  
<http://www.sba.gov/VETS/>

**D. Assistance for Native Americans**

The SBA's Office of Native American Affairs is dedicated to ensuring that American Indians, Native Alaskans and Native Hawaiians seeking to create, develop and expand small businesses have full access to necessary business development resources. The Office operates Tribal Business Information Centers offering culturally relevant information about entrepreneurial activity. These centers provide computer equipment, books, videos, and training programs, all aimed at fostering business growth among Native Americans.

For further information regarding these programs, contact:

Rick Wouri  
Address: P.O. Box 217, Cass Lake, MN 56633  
Phone: 218-547-2676 Fax: 218-547-2173

**E. Assistance for Very Small Businesses**

The Very Small Business Program aims to improve very small business access to government loans and contracts. For more information, visit the website at <http://www.sba.gov/GC/vsbqa>

**7. Surety Bonds**

The Office of Surety Guarantees provides small businesses with increased contacting opportunities by guaranteeing bonds for contracts up to \$1.25 million, covering bid, performance and payment bonds for small and emerging contractors who cannot obtain surety bonds through regular commercial channels. Different specific programs within the office work with different segments of the small business community. More information is available online at <http://www.sba.gov/osg/> or by contacting Kenneth Olson at (215) 580-2703.

**8. Technology Programs**

The SBA works with small businesses to incorporate technology into their activity. The Small Business Innovation Research Program works with small businesses to obtain funds from the federal government for research and development and for spreading the results of the research. The Small Business Technology Transfer Program connects small businesses to research and development funding opportunities in the private and non-profit sectors. For more information on either of these programs, contact:

US Small Business Administration  
Office of Technology  
409 Third Street, SW  
Washington, DC 20416  
(202) 205-6450

## 9. Disaster Assistance

The purpose of the SBA's Disaster Loan Program is to offer financial assistance to those who are trying to rebuild their homes and businesses in the aftermath of a disaster. The disaster must be certified by the state governor and loans must be repaid. Detailed information about how to apply is available at <http://www.sba.gov/DISASTER/> or by calling 1-800-359-2227. The website also provides information on preparing for disasters. Other disaster assistance programs are offered by the Federal Emergency Management Agency (FEMA), <http://www.fema.gov>.

## 10. Advocacy and Information

The advocacy branch of the SBA encourages policies that support development and growth of small business in all areas of the country. The branch's services include publications, policy reform, and a variety of other supports for small businesses operating in the United States. Advocacy services fall under the auspices of the following three offices:

- **Office of Economic Research:**  
This office compiles and disseminates research on small businesses and the issues affecting them, publishing reports each year on topics such as minorities in small business, procurement reform, and the effects of bank mergers on small businesses. Copies of the reports and other information from this office is available online at <http://www.sba.gov/adv/stats> and at the Office of Advocacy, U.S. SBA, 409 3rd St., SW, Washington, D.C. 20416
- **Office of Interagency Affairs:**  
This branch of the SBA employs advocates who pursue regulatory, legislative, and other policy initiatives that support small business growth. Issues addressed by this office include access to capital, the burden of regulatory compliance on small business, telecommunications reform, and federal agency compliance with regulations pertaining to small business. In particular, this office sponsors two programs of special interest to small business owners, PRO-Net and ACE-Net. Pro-Net serves as an electronic gateway of procurement information (<http://pro-net.sba.gov/>)

and ACE-Net works on improving access to early-stage equity capital by helping investors to find small companies in which to invest.

- **Regional Advocates:**

The Regional Advocates serve as the chief counsel's direct link to local business owners, state and local government agencies, state legislatures and small business organizations. The Advocates identify new issues and problems facing small businesses and monitor the impact of federal and state regulation on local businesses. Information about regional advocacy and services is available online at <http://www.sba.gov/ado/region.htm>.

Residents of the Second Congressional District may also contact Wisconsin's regional advocate:

Regional Advocate  
Small Business Administration  
500 West Madison Street  
Suite 1240  
Chicago, IL 60606-6611  
Ph: (312) 353-6070

## 11. Hearings and Appeals

This office adjudicates disputes arising in numerous jurisdictional areas. These include appeals from SBA formal size determinations; appeals from Contracting Officer designations of North American Industry Classification System (NAICS) codes for procurements government-wide; appeals from certain SBA determinations relating to development companies; and appeals from Agency and Private Certifier small disadvantaged business determinations. More information is available online at <http://www.sba.gov/oha>

*Special Note on the Freedom of Information Act:*

The SBA provides guides to the Freedom of Information Act (FOIA) and considers FOIA requests. The website <http://www.sba.gov/foia/> contains information and explanations of how to submit a FOIA request.