

UCAN

United Chamber Advocacy Network

*El Dorado County Joint Chamber Commission; Elk Grove Chamber Commerce; Folsom Chamber of Commerce;
Rancho Cordova Chamber of Commerce; Roseville Area Chamber of Commerce*

April 10, 2018

Hon. Jim Cooper
Chair, Assembly Budget Committee, Sub Committee #4
State Capitol Building, #6026
Sacramento, CA 95814

Re: Item 0509, Issue 5, Small Business Development Technical Assistance Expansion Program - COMMENTS

Dear Chair Cooper,

On behalf of the chambers of commerce that comprise the United Chamber Advocacy Network of California (UCAN) and their nearly 4800 combined members, I am writing to provide comments in reference to Budget Item 0509, Issue 5, concerning the California Small Business Development Technical Assistance Program.

In a recent joint membership survey, the UCAN chambers asked "what is the top issue impacting your business' bottom line?" After the issues of taxes and regulations, over one third of respondents cited "California's overall business climate" as a barrier to their success. Clearly, while California leads the nation in job growth, this economic growth is not being felt in all sectors of the economy nor among all business types and sizes.

Given that small business comprises the vast majority of employment in California and is responsible for the majority of job growth and business startups, we appreciate the foresight of the Governor and the Governor's Office of Business and Economic Development to enhance the state's overall business climate by earmarking \$20 million in state funding specifically to grow and develop small businesses.

Moreover, we especially appreciate the wisdom of leveraging the existing infrastructure and expertise of the federal Small Business Development Centers and other federal technical assistance providers which are already in the business of outreach to small businesses, providing counseling and connections to capital, in partnership with banks and other community partners. This example of leveraging and partnership is one other state departments and agencies should be encouraged to replicate.

We appreciate the dedication of \$3 million to local SBDC's to contribute to the federal match, however we recognize the total match requirement is upwards of \$14 million. In addition, we appreciate making the remaining \$17 million available to SBDCs and technical assistance centers in the form of competitive grants, however we do have concerns that such funding is distributed throughout the state and not concentrated in a few urban markets.

We would encourage the committee and the Assembly Committee on Jobs, Economic Development and the Economy to consider these two issues – total federal match required and distribution throughout the state – when developing final budget language and when considering review and oversight in subsequent years.

Sincerely,



Dave Butler
Advocate

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cc. Members, Assembly Committee on Budget, Sub Committee #4
Assemblymembers Ken Cooley, Frank Bigelow, Kevin Kiley
Mr. William Koch, Governor's Office of Business and Economic Development

United Chamber Advocacy Network
One Capitol Mall, Suite 800 Sacramento, CA 95814 916.444.3568