



News Release

PRESS OFFICE

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SBA FAQ on Women's Business Center Program and Legislation included in the U.S. Troop Readiness, Veterans' Care, Katrina Recovery and Iraq Accountability Appropriations Act of 2007

1. What is the Women's Business Center program?

SBA's Women's Business Center (WBC) program is administered by its Office of Women's Business Ownership to promote the growth of women-owned businesses by providing business training and technical assistance, helping with access to credit and capital, and identifying federal contract and international trade opportunities. There are 98 WBCs nationwide, located throughout 44 states and two territories. Last year, more than 129,000 clients received assistance through the WBC program.

2. How has the WBC program been funded?

The program, established by Congress in 1988, requires each WBC to match a portion of its federal funds with non-federal contributions. A WBC may apply for an initial five-year grant and then a five-year sustainability grant.

3. Why is SBA prevented from implementing the legislation as written in FY 2007?

Under the new law, WBCs that have participated in the program for five years may apply for three-year renewal grants in perpetuity. Recently, Sen. John Kerry (D-Mass) and Sen. Olympia Snowe (R-Maine) requested that this legislation be implemented now and for the grants to be disbursed to eligible centers by January 1, 2008. Absent appropriation, SBA will take steps to implement the legislation in FY 2008.

It is not legally or practically possible to implement the new legislation in FY 2007 as requested:

- Until the agency is funded for FY 2008, grant disbursement is not possible. By law, SBA cannot make any awards in advance of program funding for FY 2008.
- Before this legislation was signed, SBA had already issued its Program Announcement and had begun accepting grant applications from its WBCs. If the new legislation were implemented, SBA would have to rewrite and reissue the Program Announcement and re-solicit applications, thereby delaying the funding process for WBCs.

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- Under the new law, SBA cannot legally begin the funding process until Oct. 1, 2007. Furthermore, according to the Office of Management and Budget's guidelines, any request for grant proposals must be held open for at least 30 days, and once grants are announced, they must be made public for at least 60 days. Thus, the process cannot be completed before Jan. 1, 2008. The agency intends to implement the legislation in the coming fiscal year.

4. In summary:

The agency strongly supports the WBC program and its mission. WBCs play a critical role in helping women-owned small businesses succeed. SBA does not believe the congressional intent is to halt the growth of the WBC program. Therefore, it is requesting further clarification on the intent of the legislation and plans to implement it in the upcoming fiscal year.

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