



EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF MANAGEMENT AND BUDGET
WASHINGTON, D.C. 20503

June 14, 2010
(House Rules)

STATEMENT OF ADMINISTRATION POLICY

H.R. 5297 – Small Business Lending Fund Act of 2010,
State Small Business Credit Initiative Act of 2010, and
Small Business Early-Stage Investment Program Act of 2010
(Rep. Frank, D-Massachusetts, and 20 cosponsors)

The Administration strongly supports House passage of H.R. 5297. Small businesses are the backbone of the American economy and where most new jobs begin. One of the major challenges facing small business owners is access to the credit that they need to grow and hire. The House legislation includes two important Administration proposals to help address that problem. First, the legislation would establish a Small Business Lending Fund that provides incentives for smaller banks to make new loans. Second, the legislation would establish a State Small Business Credit Initiative that would spur over \$20 billion in new lending through innovative State-based programs at a time when States are being forced to cut back on them due to budget shortfalls. In addition, related legislation that the Administration understands will be incorporated into H.R. 5297 includes the President's proposal to eliminate capital gains taxes on owners of small business stock, a step that will spur investment, innovation, and job creation by small businesses.

In addition to the two lending initiatives described above, the Administration also looks forward to working with Congress on the initiatives the Administration has worked on with the House and Senate Small Business Committees that will allow creditworthy small businesses to expand and create jobs.

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