

# Microenterprise Anti-Poverty Consortium

## Policy Agenda 2011



In 2011, MAP will focus its policy work on defining and promoting the benefits of the federal investments in microenterprise, particularly those made since 2008. We will work with government agencies to ensure that small business support grants and financing are targeted toward micro-businesses and emerging entrepreneurs. We will demonstrate to Congress the effectiveness of federal spending on small business and monitor appropriations to these programs and encourage that funding be maintained despite the environment of funding cuts.

Specific agencies and programs that MAP will focus on include:

### Department of the Treasury, Community Development Financial Institutions (CDFI) Fund

- Financial assistance and technical assistance awards
- New Markets Tax Credits
- Small Business Lending Fund, CDFI funds

### Department of Agriculture, Rural Development Agency

- Intermediary Relending Program
- Rural Business Enterprise Grants
- Rural Business Opportunity Grants
- Rural Microenterprise Assistance Program

### Small Business Administration

- Microloan Program
- Program for Investment in Microentrepreneurs (PRIME)
- 7(a) access for microlenders
  - Ensure that all ARRA microloan dollars are being used
  - Communicate the needs of the smallest businesses and demonstrate the capacity of the field to provide it

**MAP will leverage the Administration and Congress's current focus on creating jobs and expanding access to finance.** We will help the micro field participate in funding opportunities and market financing sources. We will help policymakers make the connection between microenterprise and jobs.

Specific areas where MAP will focus include:

#### Financial Regulation

- Monitor Consumer Financial Protection Bureau's (CFPB) rulemaking activities that will impact small business investments and loans
  - Encourage CFPB staff to develop regulations on small business data collection ASAP
- Participate in CRA Reform to ensure that it addresses the small business lending aspect of CRA as well as mortgage lending

#### Expand Economic Development Funding

- Encourage key Treasury officials and Federal Housing Finance Agency (FHFA) leadership to support the establishment of an Economic Development Program at the Federal Home Loan Banks (FHLBs)
- Seek legislative sponsor for a bill to establish EDP, implement strategy to incorporate into GSE Reform

#### Expand Access to Credit for Microentrepreneurs

- Support alternative credit reporting activities of utility and telecom firms
  - Seek legislative solutions to help microentrepreneurs build credit and improve access to mainstream financing
- Support the Rural Microbusiness Investment Credit Act
  - First introduced in 111<sup>th</sup> Congress (H.R. 5990) by Reps Kind and Herger
  - Senators Crapo, Roberts, Stabenow and Cantwell may introduce it in the Senate in 2011

#### Connect microenterprise and jobs

- Support the Department of Labor's Self-Employment Assistance (SEA) Program
  - Cooperate with DOL on enhancing program
  - Work with states that are considering enacting SEA legislation
  - Encourage Congress to take low-cost legislative action to grow SEA

**MAP will also enable more LMI individuals to use entrepreneurship as a pathway out of poverty, particularly for populations facing multiple barriers to economic success.**

- Support IDAs as a method to save for capitalizing a business
- Continue asset limit reform efforts
- Support VITA and tax assistance for self-employed (SETI)
- Encourage self-employment for TANF recipients
- Support entrepreneurship as a strategy for success for returning prisoners