

**Rep. Frank Dermody
Message to Small Business**

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“A Plan to Get People Working Through Small Business”

Bills aim to add jobs and improve Pa. economy

Small business continues to be the driving force of job creation and economic growth in Pennsylvania, even during the lingering national recession. The men and women who succeed in smaller businesses will play a key role in sustaining the momentum of our coming economic recovery.

That's why my House colleagues and I are taking steps to help small businesses gain access to capital by emphasizing and re-investing in programs that have already been proven to work.

Pennsylvania House Democrats introduced PAJobsNow, a legislative package aimed at putting more people to work by focusing on the job creation capabilities of Pennsylvania's small businesses. The House passed these measures in the spring and they are now awaiting consideration in the state Senate.

The package recognizes that more than half of all jobs created nowadays are created by small business and it seeks to foster an environment in which these job creators can grow and thrive.

At the core of PAJobsNow is a strategy to add power to current programs such as Small Business Incubators and Small Business First loans. These programs have produced notable success stories but they have been held back by lack of funding. We propose expanding these programs to make more capital available to businesses.

House Bill 1597 would amend the Second Stage Loan program to make it more attractive to lenders and encourage them to loosen credit for deserving small businesses.

To promote the growth of Pennsylvania's smallest, most dynamic job creators, House Bill 2394 would move available funds from an underused business loan guarantee program into the successful Small Business Incubator Program. This would allow more emerging firms struggling to establish themselves to reduce start-up costs by sharing services in incubators.

We also seek to increase access to the Small Business First low-interest loan program, a state-backed effort to help job creators that need more funds than banks are willing to lend in the current economic climate. You can find out more about these bills and the rest of the PAJobsNow package at www.pahouse.com/dermody.

Most economists believe the recession is winding down, but job creation will make the difference in determining whether the recovery is strong or weak. A worker with a job is the best tool there is to keep families out of poverty, to provide more customers for small businesses, and to keep communities strong.

SMC members have been very effective in Harrisburg in making the case that the future vitality of Pennsylvania's small businesses will determine whether we can achieve a strong economic recovery that includes new jobs.

My colleagues and I in the House of Representatives have passed legislation to make sure that small businesses have access to the capital they need. We hope the Senate will join us this fall in enacting these measures and setting the stage for increased investment, more jobs, and greater prosperity.