

(May 15, 2006)Lipinski Joins House Small Business Democrats in Introducing Comprehensive Legislation

Lipinski Joins House Small Business Democrats in Introducing Comprehensive Legislation to Overhaul the Small Business Administration

WASHINGTON, DC - On Thursday May 11th, Congressman Dan Lipinski (IL-3) joined other Democratic members of the House Small Business Committee last Thursday to introduce comprehensive legislation to overhaul the Small Business Administration (SBA).

The Empowering the Next Generation by Investing in the Nation's Entrepreneurs (ENGINE) Act would restore funding to a number of programs that help small businesses, including Small Business Development Centers (SBDCs), and Women's Business Centers (WBCs).

"In these times of fierce global competition, the SBA's entrepreneurial development programs provide a valuable service to small business owners seeking to start and grow their business," Congressman Lipinski said. The legislation would authorize \$145 million for SBDCs and \$16m for WBCs in fiscal year 2007, ensuring that small businesses have access to the training and expertise they need.

Lipinski pointed out that one of the greatest problems facing small business owners today is the cost of providing health care coverage for themselves and their employees. "When I talk to small business owners in my Illinois district, there is one issue that comes up, over and over - how do we deal with these debilitating increases in health care costs?"

The bill would authorize \$3 million for 2007 and 2008 to create a pilot program within SBA that would provide grants to SBDCs and WBCs for helping small businesses tackle the health care issue. The centers would work with business owners to determine available insurance options and help them assess their choices using the most up-to-date information available.

As the sole agency charged with assisting this nation's entrepreneurs, SBA has seen its budget cut nearly in half since the beginning of the decade. The new legislation would ensure that small business programs are adequately funded, staffed, and able to meet the needs of our nation's entrepreneurs.

"I urge our Republican colleagues on the Small Business Committee to take up this legislation and provide the help that small businesses need to be our nation's economic engines," Lipinski said.

The ENGINE act also seeks to revamp the SBA's approach to disaster recovery, after some difficulties experienced in the response to Hurricane Katrina. The bill requires the SBA and the Federal Emergency Management Agency to

establish joint guidelines for coordinated disaster assistance programs, calls for more disaster recovery contracts to go to small companies in the affected area, and would establish an associate administrator of disaster planning within SBA.

The legislation also would attempt to prevent large companies from winning small-business contracts by requiring an annual report from SBA's Office of Advocacy on contract miscoding.