

Attachment 24A

Explanatory Note for Small Business Administration (SBA) Report February 1, 2010

SBA established three TAFS accounts for Recovery Act appropriations, which fund a total of 16 projects/activities. SBA received \$69 million in appropriations to fund Salary and Expenses for 11 new projects and they are Categorically Excluded.

As of December 31, 2009, over \$12 million in ARRA funding has been obligated for these 11 projects, which are:

1. One Microloan Grant project
2. One Automation project
3. Nine Capital Access Projects:
 - a. Section 501: Fee Reduction/Elimination
 - b. Section 502: 90% Guarantee
 - c. Section 503: Secondary Market Guarantee Authority
 - d. Section 504: Certified Development Company (CDC) Lending (low interest financing and job creation goals)
 - e. Section 505: Small Business Investment Company (SBIC) Program changes
 - f. Section 506: Business Stabilization (America's Recovery Capital [ARC] Loans)
 - g. Section 508: Surety Bonds
 - h. Section 509: Secondary Market Lending Authority
 - i. Microloans

SBA received \$15 million in appropriations to fund one project in the Surety Bond Guarantee program that is Categorically Excluded. As of December 31, 2009, no funds have been obligated for this project.

SBA originally received \$636 million in credit subsidy appropriation to fund four projects. On December 22, SBA received \$125 million in additional credit subsidy to continue the Recovery Act provisions (note: the additional funding is included on row 3 of page 1 of the SBA Spreadsheet). The four projects did not require NEPA review because the SBA had no discretionary decision making. These projects and activities accounted for over \$524 million in ARRA funding that has been obligated for the business loan program as of December 31, 2009, which is an increase of \$211 million over the prior report. The four business loan projects are:

1. Two projects in the guaranteed loan programs (fee reduction and 90% guarantee)
2. One project in the Microloan program
3. One project in the Business Stabilization program (now called "ARC Loans")

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