



**State Representatives
Jay P. Goyal and Nancy Garland**

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Reps. Goyal, Garland Intro Bill to Extend Capital to Small Businesses, Create Jobs

Legislation will lend a hand to small businesses; prioritize projects with the greatest job-creation potential

COLUMBUS - State Reps. Jay P. Goyal (D-Mansfield) and Nancy Garland (D-New Albany) today introduced legislation that would create a Small Business Working Capital Loan Program to support Ohio's small business community while fostering job creation and retention across the state. The program is intended to lend a helping hand to small businesses that prove they will be able to use the loans to create or retain existing jobs.

"Ohio's economic downturn has demanded swift action to provide small businesses with access to working capital," said Rep. Goyal. "This program will have the power to not only keep small businesses afloat, but in many cases give them the ability to thrive. I am very excited about the potential that this program has to help our state turn the economic corner and bring new jobs into Ohio."

The bill will create the Small Business Working Capital Loan Program to inject vital capital into Ohio's small business community and help get Ohio's men and women back to work. Using a line of credit from a participating bank and the state, an investment firm will loan the money to eligible businesses. The state's investment principal is not at risk and no general revenue funds will be used. The bill authorizes the state to forego interest on its investment with the bank so that it can be used as a reserve to protect the bank against losses.

"One of the biggest problems with the economy right now is that banks simply aren't lending money," said Rep. Garland. "Across the board—to home buyers, small businesses, you name it—banks are afraid to loan. We need to get money flowing through the system to promote investment and engender economic growth in Ohio."

The Ohio Department of Development will establish the Small Business Working Capital Loan Program and set the ground rules for businesses applying to receive the loans. The requirements established by the bill necessitate that eligible business be headquartered in Ohio, be organized for profit, and have annual sales of at least \$1 million but not more than \$50 million.