



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

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Reps. Goyal, Garland Announce Approval of Bill to Support Ohio's Small Businesses, Increase Job Creation and Retention Across the State

Legislation lends a helping hand to small businesses, prioritizes projects with the greatest job-creation potential

COLUMBUS- State Reps. Jay P. Goyal (D-Mansfield) and Nancy Garland (D-New Albany) today announced the Ohio House has approved House Bill 521 to create a Small Business Working Capital Loan Program to support Ohio's small business community while fostering job creation and retention across the state. House Bill 521, which creates a program to provide vital working capital to small businesses that prove they will be able to use the loans to create or retain existing jobs, passed with strong bipartisan support by a vote of 87 to 11.

"The program created by this bill will lend a much-needed helping hand to our small businesses at a time when investment capital is not so easy to come by," Rep. Goyal said. "Ohio's small business community, the jobs they create and the goods and services they provide are the backbone of our economy. Our support will help keep small businesses afloat as we recover from the national recession, as well as put them on the path toward success for years to come."

The bill creates the Small Business Working Capital Loan Program to inject working capital into businesses across the state 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. In order to be eligible for the loans, the small businesses must prove they will be able to create or retain existing jobs with the money. 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 early, first-time losses.

"This bill is a very important step in revitalizing Ohio's economy by maintaining small business and jobs in Ohio," Rep. Garland said. "This bill will provide vital working capital to small businesses in every corner of the state that will use the funds to create jobs and promote vibrant business communities."

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 businesses be headquartered in Ohio and be organized for profit. Businesses that have annual sales greater than \$50 million are not eligible to apply for the program.

House Bill 521 now goes to the Ohio Senate for consideration.