

Representative Fudge Announces New Small Business Lending Program

June 18, 2009: WASHINGTON, DC – Many small businesses may soon be eligible for interest-free loans under the newly launched "America's Recovery Capital" program (ARC), which was created by the American Recovery and Reinvestment Act, Representative Marcia L. Fudge (OH-11) announced today. ARC allows small firms to secure interest free loans of \$35,000 to pay down existing business debts. Repayment is required to begin within one year. ARC loans are just one component of the strong support for small businesses advocated by Democrats in Congress.

"During these tough economic times many strong, viable businesses need a small line of credit to help meet their needs. America's small businesses are such an integral part of our nation's economy that we must provide support for their survival during this recession. I am proud to support ARC loans for small businesses," said Rep. Fudge.

To qualify for the ARC loans, small firms must demonstrate immediate financial hardship due to the economic downturn although they are otherwise deemed viable by the Small Business Administration (SBA). The loans, made by commercial lenders, can be used for payments of principal and interest for existing, qualifying small business debts like credit card obligations, mortgages, lines of credit, and balances due to suppliers, vendors, and utilities. Rep. Fudge said that in addition to the ARC loan program, the Recovery Act contained other measures aimed at helping small firm's access credit. For instance, the new law increases the loan percentage the SBA can guarantee, makes SBA-backed loans more affordable, and provides tools to unfreeze small business credit markets, thus helping small company's access capital at affordable rates.

To apply for ARC loans, visit local SBA-approved small business lenders. Loans are available through Sept. 30, 2010, or until appropriated funding is exhausted. Additional information about the ARC loan program is available at <http://www.sba.gov/recovery/arcloanprogram/index.html>.

Rep. Fudge coordinates a small business series to offer small businesses structured guidance and strategic resources. To receive meeting notifications, please send contact information to Daniel.Fellenbaum@mail.house.gov with the subject line: SMALL BUSINESS