

October 8, 2010

# UTAH DISTRICT NEWSLETTER

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## Save the Date:

October 20, 2010  
How to Form a LLC Workshop  
Offered by SCORE  
111 East Broadway 11th Floor  
Salt Lake City, UT  
5:30 pm to 8:00 pm  
Contact (801) 524-6831

October 21, 2010  
Salt Lake SCORE Workshop  
Salt Lake County Building Complex  
Salt Lake City, UT  
(801) 746-2269

October 25, 2010  
8(a) Orientation—SBA Office  
125 South State Street, 2nd floor  
Salt Lake City, UT  
10:00 am to 11:30 am  
Contact: (801) 524-6831

Helping small businesses  
**start, grow and succeed.**



Your Small Business Resource



**Stan Nakano**  
District Director

## Breaking Through the Barriers

For each of us, the 'Great Recession' of 2007-2010 has meant different things. For most of us, it has meant tightening our belts, and being more careful about what we spend our money on. For small business owners, it has meant this and much, much more. At times, the small business community has felt both taken for granted and even neglected as the recession has exacted a painful price on those

who produce and sell goods and services for our benefit.

With the passage and signing of the Small Business Jobs Act of 2010, the federal government has taken the next step in providing help to small businesses across the nation, including Utah. This new legislation will help provide small companies with access to new lending capital, and will resume the higher guarantee percentages and the elimination of SBA borrower fees first introduced in the American Recovery and Reinvestment Act of February 2007. The new Jobs Act also creates added tax and capital investment incentives, and a host of other provisions designed to help small businesses break through the financial barriers of economic recession.

Even in the best of times, starting and operating a business is replete with many challenges. When the economic winds of change produce strong headwinds, these challenges can be greatly magnified. During such difficult times, the barriers small business owners are called upon to endure may not be overcome. The Small Business Jobs Act of 2010 provides just such a helping hand on a variety of fronts. I encourage all interested business owners to review the basic provisions of the new law within this edition of our newsletter, and to take advantage of its provisions wherever possible.

It's time for all Utah small businesses to break through the recession barrier and put Utah back to work.



## ***Fact Sheet***

### **PRESS OFFICE**

#### **Small Business Jobs Act of 2010**

The Small Business Jobs Act, signed by President Obama on September 27, will provide critical resources to help small businesses continue to drive economic recovery and create jobs. The new law extends the successful SBA Recovery loans while offering billions more in lending support and tax breaks for entrepreneurs and small business owners.

#### **New Law Puts More Capital in the Hands of Entrepreneurs and Small Business Owners**

##### Recovery Act Loans Extension – \$14 billion more in lending support

The law will extend SBA Recovery loans (with the 90% guarantee and reduced fees) through December 31, 2010.

The \$505 million for Recovery loans in this new law will support about \$14 billion in overall small business lending. More than 1,400 small businesses that have been in a queue waiting for this bill to become law will be funded in a matter of days.

Since passage of the Recovery Act, SBA has supported nearly 70,000 Recovery loans, turning \$680 million in taxpayer dollars into more than \$30 billion in lending support.

##### Higher Loan Limits – significantly increases maximum loan sizes in top loan programs

The law will permanently increase 7(a) and 504 limits from \$2 million to \$5 million (for manufacturers in 504 loan program, up to \$5.5 million).

The law will permanently increase microloan limits from \$35,000 to \$50,000, helping larger entrepreneurs with start-up costs and small business owners in underserved communities.

##### Alternative Size Standards – more small businesses eligible to get SBA loans

The law expands the number of businesses eligible for SBA loans by increasing the alternate size standard to those small businesses with less than \$15 million in net worth and \$5 million in average net income.

##### Temporary Enhancements to Help with Working Capital, Commercial Real Estate Refinancing

The law will increase maximum amount of SBA Express loans from \$350,000 to \$1 million (expires 9/27/2011).

The law will allow some small businesses to refinance their owner-occupied commercial real estate mortgages into the 504 loan program (expires 9/27/2012).

##### Dealer Floor Plan Pilot Extension, Expansion

The pilot program (begun 2009) will be extended to 2013.

After the \$5-million loan limit is implemented, this will help even more small businesses owners who sell cars, RVs, boats, other titleable inventory.

##### Small Business Intermediary Lending Pilot

The law provides funding for up to \$20 million per year in small business loans over the next three years for an intermediary-facilitated loan program targeting small businesses that need loans up to \$200,000.

#### **New Law Strengthens Small Businesses' Ability to Compete for Contracts, Including Recommendations from the President's Task Force on Federal Contracting Opportunities for Small Business**

##### Equal Treatment across Federal Contracting Programs

The law reaffirms "parity" among federal small business contracting programs. Contracting officers will be free to choose among businesses owned by women and service-disabled veterans, as well as those participating in HUBZone and 8(a) programs, and soon the women's contracting program when conducting contracts that are set-aside for small business.

#### Better Playing Field for Small Businesses – more accountability, integrity, transparency

The law gives agency procurement officers more ability to provide both large prime contracts and microcontracts to small businesses. The law makes it harder for agencies to “bundle” contracts, a practice that often takes opportunities away from small business. The law also has stronger enforcement so agencies will be held more accountable for reaching small business goals.

The law enforces stronger subcontracting plan requirements for large prime contractors to ensure small businesses are utilized in subcontracting. It also discourages late payments to small subcontractors.

The law enforces SBA’s continuing efforts to combat fraud, waste, and abuse. Federal agencies, including the Department of Justice, will have more ability to vigorously pursue companies that win contracts by misrepresenting their small business status.

#### Small Business Teaming Opportunities

The law provides \$25 million for a new pilot that provides grants that will help small businesses team up with each other to compete for larger and more complex federal government contracts.

#### **New Law Promotes Small Business Exporting, Building on the President’s National Export Initiative**

##### Export Express Pilot Becomes Permanent

The law turns the Export Express pilot loan program into a permanent program with 90% guarantees for loans up to \$350,000 and 75% for loans between \$350,000 and \$500,000.

##### State Trade and Export Promotion Grants Pilot

The law provides \$90 million in competitive grants over next three years for states to help small business owners with exporting.

Increased Staff and Strengthened Export Counseling Resources.

#### **Law Expands Training and Counseling:**

##### Major Investment in Counseling and Training

The law provides \$50 million in grants available to Small Business Development Centers.

More Opportunities in Export Counseling (see above)

#### **New Law Provides \$12 Billion in Tax Relief to Help Small Businesses Invest in their Firms, Create Jobs**

##### Extension, Expansion of Tax Cuts – 8 Tax Cuts

The highest small business expensing limit ever, of \$500,000

Carry-back provisions on net operating losses of up to 5 years

Accelerated/bonus depreciation

Zero capital gains taxes for those who invest in small businesses

Increased deductions for start-ups

Deductions for employer-provided cell phones

Deductions for health insurance costs for the self-employed

Limitations on penalties for errors in tax reporting that disproportionately affect small business

#### **Beyond SBA:**

##### Small Business Lending Fund – \$30 billion (administered by Treasury)

The law will provide smaller community banks with low cost capital (as low as 1%) if they go above and beyond 2009 small business lending levels.

##### Establishes State Small Business Credit Initiative (administered by Treasury)

The law will provide up to \$1.5 billion to States to support state run small business lending programs.

Below you will find a link to the 2011 Nomination Guidelines for SBA's National Small Business Week. Please review the guidelines and nominate your favorite small business or small business champion. All nominations are due in the Utah District Office **no later than Friday, November 12, 2010**. If you have questions, please feel free to contact Georgia at [Georgia.yoshida@sba.gov](mailto:Georgia.yoshida@sba.gov).

## **2011 National Small Business Week Award Nominations**

[Click Here](#) for the "Nomination Guidelines"

### **Save the Date**

National Small Business Week 2011  
May 16th - 20th  
Washington DC - Mandarin Oriental Hotel

LENDER	September Loan Numbers	September Total Dollars	YTD Loan Numbers	YTD Dollars
1ST BANK	1	\$35,000	3	\$275,000
ALLIANCE COMMUNITY FCU	3	\$161,200	15	\$1,530,500
AMERICA FIRST FCU	2	\$38,000	53	\$1,657,000
AMERICAN BANK OF COMMERCE D/B/A AMBANK	0	0	9	\$5,856,900
AMERICAN BANK OF THE NORTH	0	0	3	\$3,290,000
BANCFIRST	0	0	1	\$150,000
BANK OF AMERICAN FORK	0	0	13	\$2,867,000
BANK OF UTAH	2	\$70,000	16	\$4,673,300
BARNES BANKING COMPANY	0	0	1	\$35,000
BEEHIVE CU	0	0	16	\$477,000
BRIGHTON BANK	0	0	11	\$579,000
CACHE VALLEY BANK	2	\$405,000	9	\$1,175,000
CAPITAL COMMUNITY BANK	0	0	7	\$709,000
CELTIC BANK CORPORATION	2	\$1,800,000	34	\$19,935,000
CENNTENNIAL BANK	0	0	2	\$376,900
CENTRAL BANK	4	\$126,200	26	\$1,939,700
CHARTWAY FCU	1	\$11,500	18	\$972,400
COMMUNITY W. BANK NATL ASSOC	0	0	1	\$440,000
COMPASS BANK	0	0	1	\$66,000
CYPRUS FCU	2	\$69,500	17	\$1,538,700
D.L. EVANS BANK	0	0	1	\$35,000
EXCEL NATIONAL BANK	0	0	1	\$618,200
FIRST BANK & TRUST CO.	0	0	1	\$120,000
FIRST UTAH BANK	0	0	8	\$863,200
FRONTIER BANK, FSB	0	0	1	\$161,000
GOLDENWEST FCU	0	0	18	\$946,000
GRAND VALLEY BANK	0	0	2	\$1,020,00
GRANITE FCU	0	0	6	\$355,200
HORIZON UTAH FCU D/B/A HORIZON CU	1	\$30,000	4	\$164,500
JORDAN FCU	1	\$5,000	14	\$380,000
JPMORGAN CHASE BANK, NATIONAL ASSOCIATION	10	\$917,900	77	\$17,116,200
KEYBANK NATIONAL ASSOCIATION	3	\$2,227,900	24	\$4,343,400
LEWISTON STATE BANK	0	0	1	\$25,000
LIBERTY BANK, INC.	0	0	2	\$650,000
LIVE OAK BANKING COMPANY	1	\$870,000	11	\$6,057,000
MEADOWS BANK	1	\$50,000	5	\$2,539,400
MOUNTAIN AMERICA FCU	15	\$785,200	187	\$9,439,800
MOUNTAIN WEST SMALL BUSINESS FINANCE	26	\$19,043,000	156	\$76,919,000
NATIONAL BANK OF ARIZONA	2	\$70,000	4	\$120,000
NEVADA COMMERCE BANK	0	0	4	\$1,322,500
NUMERICA CU	0	0	1	\$35,000
PRIME ALLIANCE BANK	0	0	3	\$1,433,500
PROFICIO BANK	1	\$1,200,000	2	\$1,445,000
SPIRIT OF TEXAS BANK, SSB	0	0	1	\$163,000
STATE BANK OF SOUTHERN UTAH	4	\$140,000	74	\$6,662,500
SUNFIRST BANK	0	0	2	\$265,000
SUPERIOR FINANCIAL GROUP, LLC	0	0	17	\$172,500
THE FIRST NATIONAL BANK OF LAYTON	0	0	8	\$3,135,600

LENDER	September Loan Numbers	September Total Dollars	YTD Loan Numbers	YTD Dollars
THUNDER BANK	0	0	1	\$33,800
U.S. BANK NATIONAL ASSOCIATION	3	\$287,000	33	\$4,322,700
UNITED CENTRAL BANK	0	0	1	\$700,000
UNITED MIDWEST SAVINGS	0	0	1	\$1,400,000
UNIVERSITY FIRST FCU	4	\$879,000	24	\$3,650,500
USU CHARTER FCU	0	0	2	\$90,000
UTAH CERTIFIED DEVELOPMENT COMPANY	3	\$937,000	56	\$19,720,000
UTAH COMMUNITY FCU	3	\$37,100	3	\$37,100
UTAH FIRST FCU	1	\$50,000	12	\$495,000
VECTRA BANK COLORADO NATL ASSOC	0	0	1	\$10,000
WELLS FARGO BANK, NATIONAL ASSOCIATION	6	\$630,200	54	\$13,329,900
WILSHIRE STATE BANK	0	0	1	\$1,136,000
ZIONS FIRST NATIONAL BANK	44	\$3,143,400	597	\$48,742,200
<b>TOTALS</b>	<b>148</b>	<b>\$34,013,100</b>	<b>1677</b>	<b>\$278,658,100</b>