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Arkansas businesses will benefit from Small Business Jobs Act of 2010

Substantial SBA loan program enhancements will be available

The Arkansas Capital Corporation Group's Chief Executive Officer C. Sam Walls on Friday highlighted enhancements to the Small Business Jobs Act of 2010 which will have the greatest impact on Arkansas's small business owners.

"These enhancements are the most impactful I've seen in my 20 years of working with government guaranteed lending," Walls said. "These tools are meaningful in their ability to assist and encourage business owners to grow their enterprises."

ACCG offers an alternative source of financing for small business; the Group partners with banks across Arkansas to provide the most attractive financing package available to small business owners.

Highlights of the enhancements include:

- **Fee Reductions** - - extends the authority for 7(a) and 504 fee reductions and 90% 7(a) guarantees through December 31 **or until** \$505 million in appropriations is obligated.
- **Maximum Loan Amounts (permanent increases)** - - the loan maximum on:
 - 7(a) loans set at \$5 million gross and \$3.75 million net (or guaranteed amount).
 - 504 loans, including public policy loans, set at \$5 million, except small manufacturer loans and energy loans are set at \$5.5 million.
- **Maximum Loan Amount of SBA Express (temporary increase)** set the maximum amount of an express loan at \$1 million for 1 year.
- **Alternative Size Standard** - - pending SBA establishment of an alternative applicable to both 7(a) and 504, establishes a standard of maximum tangible net worth of \$15 million and 2-year average net income after Federal income tax of \$5 million which will apply to both programs.
- **Debt Refinancing** - - establishes a temporary 2-year program of business debt refinancing through the 504 program independent of the usually required job creation/preservation project.

“They offer borrowers and financial institutions a tremendous opportunity to get capital into the hands of those who make our economy work,” Walls said. “Debt restructuring and expansion capital is now much more readily available because of this legislation.”

Established in 1957, the Arkansas Capital Corporation is a private, non-profit business development corporation. ACC’s volunteer Board of Directors is comprised of bankers and business leaders from across Arkansas and is dedicated to the growth and success of small businesses in the Natural State. Additional information can be found at www.arcapital.com.

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