

On March 8, 2012, I introduced H.R. 4185, the Small Business Clean Energy Financing Act, legislation which will help small businesses in the clean energy sector access financing.

Time and again, I have heard from Sacramento small businesses that the biggest obstacle they are facing in our current economic climate is access to capital. Clean energy small businesses are having a particularly difficult time. Loans are necessary to help our small businesses keep operating, expanding, and hiring, and it is essential that we do not let the recession set our clean energy sector back even further. We need to act for our clean energy future by assisting our innovative small businesses.

The Small Business Administration (SBA) provides, on average, \$13 billion annually for the 7(a) program. Only a small portion of these loans go to clean energy companies. The Matsui legislation will help fill that gap by directing the SBA to establish a clean energy program within the 7(a) loan program in order to bring greater attention to the gap in capital accessibility for this sector. The Matsui legislation would not authorize new funds for the clean energy sector, but instead allow the SBA to utilize its' existing budget authority to address the needs of clean energy businesses. Furthermore, it is well-known that the SBA adheres to stringent underwriting standards, and this bill will continue to apply such standards for clean energy financing.

Suzanne Mayes, Program Manager for the Green Capital Alliance, remarked, "Each year, the Green Capital Alliance hosts a series of roundtable sessions with leaders of local clean energy firms. Many of these companies are halting or reversing growth due to our dramatically stunted economy, and they described a customer base with high interest in new energy solutions, but limited ways to finance these improvements. Since 2010, these company leaders have made a consistent request for innovative financial tools to support their continued growth in the Sacramento region. Any tangible outcomes around increasing access to capital would be a clear demonstration of the region's commitment to being responsive to the needs of clean energy companies, which is an important step toward continuing the expansion of the significance of this sector in our economy."

Michele Wong, CEO of Clean World Partners, said, "Clean World Partners (CWP) strongly supports Congresswoman Matsui's Small Business Clean Energy Financing Act of 2012. We believe it would allow small business to use traditional lending to finance clean energy projects, and allow companies like CWP to develop projects more quickly. CWP is hiring workers today and, with the large number of the projects in our pipeline, we cannot only expand our own workforce, but also create hundreds of construction and manufacturing jobs. The clean tech

industry can put millions of people to work, but it can't happen with private investor money alone. Small business must be able to finance equipment and construction with traditional financing in order to really drive momentum and project development.”