

Chairwoman Valazquez, Ranking Member Luetemeyer, and distinguished members of the Committee, my name is Craig Etkin. I am the President and CEO of Intelligence360—a sales intelligence company that provides real-time data to clients to uncover new business opportunities. In short, we help other businesses succeed.

As a 2018 graduate of the SBA Emerging Leaders Initiative I would like to take a moment and recognize the extraordinary job the team at the SBA in Houston does, under the leadership of Tim Jeffcoat SBA District Director, and the work of Yusef Muhammad, Southwest Regional Vice President at SCORE.

According to the SBA website, Since its inception in 2008, the SBA's Emerging Leaders Initiative has trained over 5,000 small business owners, creating over 6,500 jobs, generating over \$300 million in new financing, and securing over \$3.16 billion in government contracts.

According to SBA's resource partner Interise, in 2018, Emerging Leaders alumni businesses saw average revenue growth of 36% percent, Latinx-owned businesses saw 64% average growth, and minority-owned businesses saw 43% average growth. Minority-owned businesses operating in lower-income communities saw 77% revenue growth, and 60% of new employees were hired locally.

It's from this perspective that I offer my testimony.

While the yearlong health emergency and associated lockdowns impacted everyone, some were more hurt—and continue to be—than others. Small businesses took the brunt of the pandemic. It's not a surprise considering small businesses typically operate under tight profit margins and are more vulnerable to fluctuating economic conditions, as well as changes in consumer behavior. The coronavirus triggered extremes in both cases.

Small businesses are the backbone of the U.S. economy and are absorbing an outsized proportion of the direct and indirect impacts of the coronavirus. Policymakers in Washington should do what they can to not only shore-up current job creators but encourage a new wave of entrepreneurialism more broadly.

There are many existing successful programs through the SBA Office of Entrepreneurial Development, SBDC's, WBC's, and Office of Entrepreneurship Education (OEE) SCORE, Learning Center, and Emerging Leaders Initiative.

Congress through the American Rescue Plan has already allocated \$100 Million to the Community Navigator Pilot Program for targeted outreach for small businesses in underserved communities. Rather than what is outlined in H.R. 1226, why not promote access to capital through the SBA Microloan program rather than a stipend? Getting a Microloan can be the first step in creating credit history and building financial relationships needed to sustain and grow a business long term. Access to education and mentorship is available through SCORE, Learning Center, and advanced training in the Emerging Leaders Initiative.

Through Community Navigators connecting with new entrepreneurs through trusted community relationships, and utilizing existing programs at SBA, it is my belief that we will see not just several hundred, but thousands of new businesses and new jobs created.

Thank you for reviewing my testimony.

Sincerely,
Craig Etkin, President and CEO intelligence360