

# ALASKA STATE SMALL BUSINESS CREDIT INITIATIVE (SSBCI) FUNDING PROGRAMS

On March 11, 2021, President Biden signed The American Rescue Plan Act to help small businesses recover from the pandemic. As part of this law, the State Small Business Credit Initiative (SSBCI) was created to assist small businesses in getting the financial help to create jobs and grow. Alaska received roughly \$59 million to help small businesses over the next ten years. As the administrative lead, the Alaska SBDC will deploy the funding to lenders and investment funds through four funding programs.

## State SSBCI Funding Programs



### LOAN GUARANTEE PROGRAM - \$49 M

This program offers guarantees to lenders for loans given to eligible small businesses. The guarantee amount is usually up to 50% of the loan. By providing these guarantees, the program allows lenders to provide loans to higher-risk industries and businesses that normally wouldn't qualify.



### VENTURE CAPITAL & EQUITY FUNDS - \$10 M

The Alaska Equity Fund helps new investment funds and managers support a diverse private sector and small businesses to promote growth, job creation, and inclusivity. It provides financing options for businesses, especially VSBs and SEDI.



### LOAN PARTICIPATION PROGRAM - \$900 K

Provides both side-by-side loans originated by the lenders and loan purchase options to support loan participation for qualifying small businesses.

By providing loan participations through this program, businesses that traditionally do not qualify for commercial loans can get access to capital to start or grow their businesses.

## Our Services

### STATE SSBCI PROVIDES FUNDING FOR

- Credit and investment programs for existing small businesses and start-ups.
- Technical assistance to small businesses applying for SSBCI funding and other government small business programs.

### U.S. TREASURY OBJECTIVE

- SSBCI will build on the Administration's work to support small businesses while combating long-standing structural inequities in access to credit and unequal growth opportunities revealed and exacerbated by the pandemic.

### PRIORITIZATION & OBJECTIVES

- The State SSBCI program will prioritize supporting investments in businesses owned and controlled by Socially and Economically Disadvantaged Individuals (SEDI) and Very Small Businesses (VSB).

## ALASKA SSBCI GUARANTEED A LOAN FOR THE PURCHASE OF AN AIRPLANE.



Kenai Aviation utilized Alaska SSBCI funds to secure a 50% loan guarantee of **\$1,232,835** from FNBA, which enabled them to acquire a new 9-passenger Tecnam P2012 aircraft.

The total loan amount from FNBA for Kenai Aviation's purchase came to **\$2,465,670**.

WHAT CAN WE DO FOR YOU?

