

logo not found or type unknown

# Bryan Says USVI Approved for \$56 Million From \$10 Billion Aimed at Funding Small Businesses, Including Startups

Business / **Published On January 11, 2022 05:33 AM /**

Ernice Gilbert **January 11, 2022**

Image not found or type unknown



The U.S. Virgin Islands has been approved for \$56 million out of \$10 billion the U.S. Treasury Department has set aside to support small businesses, include startups gain access to capital. Treasury said the program is aimed at spurring a broader economic recovery that includes businesses in disadvantaged communities.

Governor Albert Bryan on Monday confirmed the sum to the Consortium following [a report](#) on the publication about the funding, making known that the territory had already applied. "We applied for and we are eligible for \$56 million; they made it available to us; all we had to do was submit a plan so we're going to get approved," Mr. Bryan told the Consortium during an interview.

Called the [State Small Business Credit Initiative](#) (SSBCI), the program — whose funding is coming from the \$1.9 trillion coronavirus-aid package that Congress passed in March 2021 — will release the money to local governments, including U.S. states, territories and tribal governments for efforts that provide venture capital or encourage local lenders to issue loans to small firms.

The U.S. Treasury Department will commence disbursement of the funding in the first quarter of 2022, with local governments having flexibility to execute their programs with parameters set by the Treasury Department.

Mr. Bryan said the current SSBCI funding was the second time the territory participated in the program. He said the government received \$13 million back when he was chair of the Economic Development Authority (EDA). "We made those funds available to businesses," he said.

The governor also said it was difficult to expend the SSBCI funds as applicants were discouraged by the process. Explaining the first program, Mr. Bryan stated, "We worked with the banks and essentially what we do is we back the credit initiative, whatever that loan is. Before, we could have backed it up to 80 percent because we had such a problem getting rid of the money."

To that end, the governor said his administration would also make funds available through other programs that are simpler.

"We also intend to make some other loans available through the Government Development Bank, which will be easier," the governor said as he explained why the loan program through the banks has in the past discouraged some applicants. "First, you've got to apply for it at the bank, then you come with the bank and you apply for it at the EDA, that's how it works. So that's a little bit more tricky and a lot of red tape, so people get frustrated when going through the process sometimes, so we're trying to make it as uncumbersome as possible so people could have access to cash."

The governor added, "We have several programs. Under the American Rescue Plan Act, we're going to do some small business initiatives for loans as well through the EDA. We're going to be making that money available soon. And then we also have money under the Community Development Block Grant Program (CDBG) Tranche 3 that is allocated for small business loans for people who were affected by the 2017 storms or the coronavirus."

"There's going to be plenty of loan opportunities for small businesses to be able to make it, and we're hoping to have the kinds of forums with the Chambers of Commerce and what not to make any other thing that businesses think they need available to them."

According to the Wall Street Journal, a Treasury Department official said the funds under the SSBCI are not meant to fill revenue holes caused by the Covid-19 pandemic, but rather to help small businesses find sources of capital to support their long-term recovery and growth.

The program will set aside \$1.5 billion for businesses owned by socially and economically disadvantaged people. Another \$500 million was earmarked for businesses with fewer than 10 employees, according to WSJ.

The program was originally authorized as part of the Small Business Jobs Act of 2010 during the Obama administration, as a means to assist small businesses following the Great Recession of 2007-2009. At the time, the program's funding totaled \$1.5 billion, and it was administered by the Secretary of the Treasury from 2010 through September 27, 2017.

