



PASSAGE OF THE WOMEN'S SUSTAINABILITY RECOVERY ACT OF 2004

Mr. KERRY. Mr. President, today I join my colleague, Senator Snowe, Chair of the Senate Committee on Small Business and Entrepreneurship, in passing legislation to safeguard women's business centers funded through the Small Business Administration. This legislation is identical to the women's business center provision I introduced as part of S.2186 -- the SBA Emergency Authorization Extension Act of 2004 -- on March 9, 2004, and it fixes a funding gap that exists for meritorious women's business centers that are graduating from the first stage of the program and entering the sustainability portion.

I would first like to thank Chair Snowe for working very closely with me on this issue, as we have for the past year and a half. Senator Snowe has long been an advocate of the Women's Business Centers and was a cosponsor of the original legislation that created the sustainability pilot program in 1999. Now, her support for continuing the nationwide network of women's business centers, in the face of obstruction from Republican leaders and staunch opposition from the Administration, has been the catalyst for success in the Senate. I commend Chair Snowe for her strong leadership for women in business across this country. I would also like to thank all of the cosponsors of this legislation and of S.2266, all of whom have shown resounding support for women entrepreneurs and recognize the positive impact the women's business centers have on promoting and supporting women in business and on strengthening our national economy.

Second, I want to comment on the Bush Administration's proposals to eliminate experienced, efficient and effective women's business centers in favor of new and untested centers. Unless this legislation can be enacted quickly, the Administration will move forward with its proposal, which places in jeopardy experienced women's business centers in 39 states and eliminates assistance for thousands of women in business. While, as this bill demonstrates, I support opening new centers to help women entrepreneurs who do not currently have access to this important assistance, this should only occur when the existing centers, whether in their initial or a later funding period, are fully funded. Women entrepreneurs and their businesses are critically important to our economy and to U.S. job creation, and women's business centers help them succeed. Passing S. 2267 today will send a strong message to the House of Representatives that time is of the essence with respect to this important program, and I hope that the House leadership will allow immediate passage of this measure when they are next in session.

I would also like to express my dismay that, despite bipartisan support from members of this Committee, the Republican majority has opposed helping women entrepreneurs and blocked the provisions of this bill from being included in the two extensions of all SBA programs that have already passed the Senate. Those who favor blocking enactment of these provisions in hopes of closing the most experienced existing women's business centers are potentially depriving thousands of women in business access to much-needed assistance. This bill is a bipartisan compromise intended to maintain an effective women's business center network throughout this fiscal year; a compromise that was agreed to by Chair Snowe, myself, and the bipartisan leadership of the House Small Business Committee. It is supported by women's

groups across the country.

Mr. President, this legislation contains a small adjustment to the Women's Business Center program that updates an outdated funding formula, without added cost to the Treasury. The adjustment changes the portion of funding allowed for women's business centers in the sustainability part of the program to keep up with the increasing number of centers that will need funding this fiscal year. Currently there are 88 women's business centers. Of these, 35 are in the initial grant program and 53 will have graduated to the sustainability part of the program in this funding cycle. These sustainability centers make up more than half of the total women's business centers, but under the current funding formula are only allotted 30 percent of the funds. Without the change to 48 percent, all grants to sustainability centers could be cut in half -- or worse, 23 experienced centers could lose funding completely. In short, this change directs the SBA to reserve 48 percent of the appropriated funds for the sustainability centers, instead of 30 percent, which will allow enough funding to keep open the most experienced centers, while still permitting the establishment of new centers and protecting existing ones. In the interest of compromise and prompt enactment of a workable solution, I fully support the formula change to 48 percent, although a change to 54 percent -- as introduced as part of my Women's Business Center Safeguard Act, S.2266 -- would be needed to fully fund all sustainability centers.

As the author of the Women's Business Centers Sustainability Act of 1999, I can tell you that when the bill was signed into law, it was Congress's intent to protect the established and successful infrastructure of worthy, performing centers. The law was designed to allow all graduating Women's Business Centers that meet certain performance standards to receive continued funding under sustainability grants. This approach allows for new centers to be established -- but not by penalizing those that have already demonstrated their worth. It was our intention to continue helping the most productive and well-equipped women's business centers, knowing that demand for such services was rapidly growing.

Today, with women-owned businesses opening at one-and-a-half times the rate of all privately held firms, the demand and need for women's business centers is even greater. Until Congress makes permanent the Women's Business Center Sustainability Pilot program, as intended in the Senate-passed legislation, an extension of authority and increase in the portion of appropriated funds available to sustainability centers is vital -- not only to the centers themselves, but to the women's business community and to the millions of workers employed by women-owned businesses around the country.

This bill is urgently needed now to continue the good work of the SBA's Women's Business Center network, and I urge all my colleagues in Senate and the House of Representatives to show their support for the growing number of women in business by supporting immediate passage of this bill. I ask that the full text of my remarks be printed in the Congressional Record.

Thank you.