



NEWS RELEASE

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SBA LENDING TO HISPANIC-OWNED SMALL BUSINESSES TRIPLED SINCE FY 1992

WASHINGTON - Loans backed by the U.S. Small Business Administration (SBA) for small businesses owned by Hispanics have nearly tripled since FY 1992, from 1,356 loans worth almost \$285.7 million to nearly 4,982 loans worth \$751 million last year, SBA Administrator Aida Alvarez announced today.

The increase pushed the total volume of loans made to Hispanic-owned small businesses since the end of FY 1992 to 47,704 loans worth more than \$4.25 billion.

According to SBA's Office of Advocacy, the number of businesses owned by Hispanics grew by 232 percent between 1987 and 1997, to a total of 1.4 million businesses. Revenues grew by 417 percent, to \$184 billion.

In remarks taped for broadcast May 6 on Univision's *Sabado Gigante*, Administrator Alvarez commented on these advances, noting: **"We still have a long way to go. Despite their business creation rates, minorities still remain under-represented in the ranks of business owners. Hispanics make up 10.9 percent of America's total population, yet they own only 4.5 percent of all businesses.**

"By the mid-point of this new century, Hispanics will account for a full quarter of the U.S. population," Administrator Alvarez added. **"That's why the President's New Markets Initiative is so important. By providing needed credit, capital, and technical support, the initiative will help close the opportunity gap that separates economically distressed communities from success.**

"As the first Latina to serve in any president's cabinet, I'm proud of the remarkable strides that the Hispanic community is making, and I'm proud of what the SBA under the leadership of the Clinton/Gore Administration is doing to help us continue that progress," Administrator Alvarez said. **"But even in the midst of the longest economic boom in American history, there is one fact we simply can't afford to forget: If we do not work harder today to ensure equal economic opportunity for *all* of our citizens, we will imperil our nation's prosperity for the rest of this century.**

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“During the Clinton/Gore Administration, SBA has made nearly \$17.5 billion in loans to almost 77,000 minority-owned businesses - more than twice as much as in the entire 40-year history of the agency before 1993,” she said. “Last year alone, a record 28 percent of the more than \$12 billion in SBA loan dollars went to minority borrowers. That’s \$3.4 billion in loans to over 12,000 minority-owned businesses.”

Over the past 30 months, the SBA has launched a wide-ranging outreach initiative designed to sharply increase the amount of financing, technical assistance and government contracting opportunities available to America’s New Markets - particularly minority and women entrepreneurs.

With its wide variety of flexible and responsible economic development tools, SBA is suitably positioned to promote business creation and expansion in this market. By helping one business at a time, SBA’s programs have a profound and empowering effect on local economies and the lives of individual citizens.

Under Administrator Alvarez, SBA has launched hundreds of partnerships with business and civic organizations operating at the local, state and national levels. These partnerships are based on formal agreements that will help SBA more effectively reach business owners in minority communities with information about SBA programs.

Administrator Alvarez has signed partnership agreements with groups representing hundreds of thousands of Hispanic-owned small businesses, including:

- U.S. Hispanic Chamber of Commerce
- National Council of La Raza
- National Association of Hispanic Publications
- National Society of Hispanic MBAs
- National Association of Elected Officials
- Hispanic Contractors of America
- League of United American Citizens
- Hispanic Designers, Inc.

Tune in to Univision on May 6, when SBA Administrator Aida Alvarez will appear before a worldwide audience in an interview segment on the popular Spanish language weekly television show, *Sabado Gigante*. Administrator Alvarez will discuss how SBA can help Hispanic entrepreneurs. According to Univision, the only television events that draw worldwide Hispanic audiences comparable to *Sabado Gigante* are the Soccer World Cup and the Olympics.

For more information on all of SBA’s programs for small businesses, call the SBA Answer Desk at 1-800-U-ASK-SBA, or visit the SBA’s extensive website at www.sba.gov.

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