



AEO *Association for
Enterprise Opportunity*
THE VOICE OF MICROBUSINESS

August Recess Packet 2016

Dear AEO Members,

This has been a year full of accomplishments for AEO. From our 25th anniversary celebration at EconoCon25, to our partnership with the Innovative Lending Platform Association, to the release of our groundbreaking report, *Reimagining Technical Assistance: Shifting the Support Landscape for Main Street*, AEO is improving businesses, communities and economies.

While we continue to make significant progress on many fronts our work cannot stop or slow down. This is where you come in. The month of August is a good opportunity to continue AEO's advocacy with Members of Congress in the communities that they call home. Given the importance of the 2016 elections on the local, state and national levels, AEO is encouraging all of its members to engage with their Congressional delegation during this recess period.

To assist you with your advocacy work, AEO has prepared this August recess toolkit containing all the information you need to be a successful advocate for entrepreneurs and the organizations that support them. This packet includes:

- Ideas for engaging your Congressional delegation
- Strategies to reach your Members of Congress; and
- Insider tips for maximizing the impact of your engagement

We are looking forward to another successful summer of advocacy on behalf of our nation's smallest businesses.

Sincerely,

Connie Evans
President & CEO

The Importance of *Your* Advocacy

AEO advocates for the microbusiness community everyday. On Capitol Hill and in the Administration, AEO is active in promoting an agenda that benefits America's smallest businesses and the lenders and counselors they rely on. But advocacy also includes legislators hearing their constituents' opinions on the issues. That is where your organization, a leader for microbusiness in your area and a member of AEO, comes in.

The goal of this work is to affect the government's decision-making process in a way that provides beneficial outcomes to microbusiness owners and the organizations that assist them. As a reminder, 501(c) 3 organizations are allowed to engage Congress with advocacy on issues affecting them – including making specific recommendations. Most of this work is education – and not lobbying; however, the guidelines from the IRS on nonprofit lobbying are available [here](#).

Critical to our efforts is on-the-ground engagement of the Chairs and Ranking Members of the House and Senate Small Business Committees, House Financial Services and Senate Banking Committees, and the Financial Services and General Government (FSGG) Appropriations Subcommittees. These are:

House Small Business Committee

Chair Steve Chabot, OH-1
Ranking Member Nydia Velazquez, NY-7

Senate Small Business Committee

Chair David Vitter, LA
Ranking Member Jeanne Shaheen, NH

House Financial Services Committee

Chair Jeb Hensarling, TX-5
Ranking Member Maxine Waters, CA-43

Senate Banking Committee

Chair Richard Shelby, AL
Ranking Member Sherrod Brown, OH

House FSGG Appropriations Subcommittee

Chair Ander Crenshaw, FL-4
Ranking Member José Serrano, NY-15

Senate FSGG Appropriations Subcommittee

Chair John Boozman, AR
Ranking Member Chris Coons, DE

What's So Special About August?

The House of Representatives and the Senate are both in recess for the month of August. During this time, Members go back to their Districts or States to meet with constituents, conduct town hall meetings and attend local events.

How to Reach Your Member of Congress

The best way to make sure our message gets out is to schedule a meeting with your Representative and Senators through their local district office, but other options also exist.

- Click [here](#) to find your Representative and click [here](#) to find your Senators. There is a tool that allows you to enter your zip code to determine your Representative. Each Member will have a website with the locations of District/State offices.
- Schedule a meeting with your legislators. Call the district office as early as possible and be flexible. You may have to make more than one call to arrange this meeting.
- Alternative to one-on-one meetings is attending District/State town hall meetings. These are open to the public and can generally be found on the Members website or by contacting the office. If you attend one of those events, you can request a brief introduction to the Member in advance.
- Schedule a visit to your organization. This will give the Congressional Member a chance to see your organization in action and provide a great marketing opportunity.
- Finally, social media, including Twitter and Facebook, are brief, but well-used avenues for communicating with legislators. Committees also have social media accounts where comments can be directed. Members' and Committees' websites will have their social media information. The chart below contains all of the social media handles for each relevant Committee.

Social Media Contacts

House Small Business Committee

Majority - @HouseSmallBiz

Majority - Facebook.com/SmallBusinessCommittee

Senate Committee on Small Business

Majority - @SmallBizCmte

Minority - @SenateSmallBiz

House Appropriations

Majority - @HouseAppropsGop

Majority - Facebook.com/HouseAppropsGOP

Minority - @AppropsDems

Senate Appropriations

Minority - @SenateApprops

Minority - Facebook.com/SenateApprops

House Financial Services Committee

Majority - @FinancialCmte

Majority - Facebook.com/GOPFinancialServices

Minority - @FSCDems

Making the Meeting Valuable

The goal of Congressional outreach during recess is to amplify the message AEO builds in Washington. Remind Members that you are a member of AEO. In addition to discussing AEO's 2016 policy platform, you can add information about your organization and how it would benefit from certain changes. Some good tips:

- **Keep It Simple:** Members will likely not know the ins and outs of our policy requests. Likewise, you are not expected to be a policy expert. The policy descriptions below cover the key points of our issues.
- **Keep It Concise:** These meetings tend to be short. Know what you want to say and focus on the "ask" included with each policy priority.
- **Have Your Handout:** Leave behind *Closing the Gap: AEO's 2016 Policy Platform* (attached) with the office. This has additional information staff will want.
- **Follow Up:** After the meeting be sure to a thank you note along with any requested follow up items (e.g. information on your organization or AEO).

What to Ask For – Support AEO’s Funding Requests

The work of lenders and counselors is only possible with adequate resources. Each year, AEO submits funding requests for proven programs that have a significant return for the American economy. An important part of our advocacy efforts is ensuring that the programs are fully funded and we ask that you echo AEO’s requests.

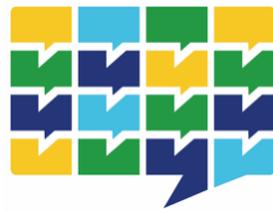
Appropriations Committees in the House and Senate each draft separate funding bills, which are then merged into the final funding levels presented to the President. As with most years, differences between the House and Senate dollar amounts for entrepreneurial programming government-wide will need to be addressed. AEO supports the following funding levels:

<u>Program</u>	<u>Funding Level</u>	<u>House or Senate Funding Bill</u>
Treasury CDFI BGP	\$500M	Senate Version
Treasury CDFI Fund	\$250M	House Version
SBA Microloan – Lending	\$44M	House & Senate Version
SBA Microloan – TA	\$31M	House Version
SBA PRIME	\$5M	House Version
SBA WBCs	\$19M	House Version
RBDG	\$30M	House Version
IRP	\$19M	House & Senate Version
RMAP	\$5M	House & Senate Version

Closing the Gap: AEO’s 2016 Policy Platform

The 2016 Election is in full swing and AEO is using this opportunity to extend our message to both parties. Our team has developed **Closing the Gap: AEO's 2016 Policy Platform** to educate the candidates on the issues most important to microbusinesses and entrepreneurs. We will be sharing our message with all candidates to ensure that AEO's priorities are recognized and to expand support for the nation's small businesses and entrepreneurs.

You will find a summary of the platform on the next page. Use this synopsis to guide your advocacy visits with your Congressional delegation. The full platform with more detailed recommendations can be found [here, on the AEO web site.](#)



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Microbusinesses are powering the nation's economy by supporting jobs for more than 41 million Americans. These main street businesses are struggling to access the financing they need to start and grow. In fact, America's small businesses are facing a \$52 billion capital gap. Through extensive research, innovative thinking and stakeholder engagement, AEO has developed a comprehensive series of recommendations to solve this crisis of capital. These bold proposals pick up where markets have failed.

Solving For Availability and Access

AEO's primary mission is to create opportunity for underserved entrepreneurs by ensuring that they are able to satisfy their capital needs. Outside of traditional banks, many options exist for borrowers, but connecting borrowers with these resources remains a challenge. AEO's Tilt Forward initiative and the Small Business Administration's (SBA's) LINC tool are primary avenues to connect borrowers with lenders and service providers.

While these programs and initiatives perform a valuable service, simply connecting would-be borrowers with lenders does not solve the capital access problem. Identifying lending deserts and underserved populations is a critical first step to reaching the populations most in need. The importance of data in connecting borrowers with lenders cannot be overstated. AEO continues to advocate for making additional data available for analysis. Dedicating resources to underserved communities will foster an entrepreneurial renaissance in the areas most in need of revitalization.

Meeting Borrower Needs and Interests

The financial technology ("FinTech") industry has revolutionized small business lending and the development of mobile banking and online lending platforms have created a bevy of new financial products. While these products have enormous potential, they are not without risk. AEO is working with stakeholders across the capital continuum to ensure transparency is a cornerstone of lending products and services.

The financial industry is developing at an impressive rate, and other aspects of lending must modernize along with it. This includes developing consumer protections for 21st century lending products, modernizing credit scoring models, and redefining entrepreneurial training, which AEO has termed "Trusted Guidance" to incorporate modern targets, goals and metrics.

Modernizing Government Programs and Policies

Federal lending programs fill capital gaps and provide vital support to entrepreneurs. SBA's Microloan and Community Advantage Programs are two examples that highlight capital access gaps that federal lending programs can satisfy. It is critical to ensure that funding levels for these and other programs are maintained or increased. Demand for federal lending

programs is at an all time high and failure to keep up with the demand will stifle the growth and development of America's economy.