



**JEDE Briefing Inclusive Economy Recovery Priorities
Testimony from CA WBC Network 3/16/21**

Dear Assembly member Cervantes and Members of the JEDE Committee

I am submitting this testimony on behalf of the California Women's Business Center Network of 16 centers in 21 locations throughout our State. Fourteen of these centers receive State funding through the Go-Biz TAEF (Technical Assistance Expansion Project).

If you want an inclusive economy to emerge from both State and Federal relief efforts, you must target women entrepreneurs. There are almost 2 million women entrepreneurs in CA, most are very small, self-employed, bringing in critical household income. A majority are Women of Color.

For the past year, the COVID-induced recession has been a 'she-cession.' Women [lost jobs at a higher rate](#) than men because they worked in customer-facing sectors of the service economy — restaurants, retail, education and healthcare — that were hit first and hardest. Black and Latinx women were [disproportionately impacted](#). This job loss has also impacted self-employed women, those operating micro and small businesses, residing in under-served communities, both urban and rural.

Women's Business Centers have stepped up and doubled down to assist struggling women entrepreneurs to stabilize and sustain their businesses, helping them obtain government loans and grants, and pivot their businesses to access new markets and create a digital presence. Centers have also seen an uptick in demand for help in starting a new business. Women entrepreneurs need to generate household income, while assuming the family caregiving roles as they run their business.

Demand for business support services-- also known as Technical Assistance-- has exponentially increased in 2021 with the new CA Relief Grant Program and the renewed PPP loans targeting the self-employed. And now we are seeing a surge of applications for more PUA benefits for the self-employed.

If our women-owned businesses are to benefit from the various government relief programs – the PUA benefits, PPP loans, CA Relief grants and other capital access- they need the type of



support offered by our Women's Business Centers: business skills enhanced by personalized coaching.

As I mentioned, the Governor's Office of Business provides funding through the TAEP (Technical Assistance Expansion Program) to 14 of the 16 SBA funded WBCs in our state. In 2020 these programs served over 12,000 clients, representing 9,000 businesses. The estimated economic ROI from this modest funding is significant: for every \$1 of State funding, \$184 in revenues from WBC client businesses circulate in our local economies.

We are asking you to prioritize the extension of the TAEP grant program for another 5 years. We also urge you to expand funding now to respond to the increased demand. Our staff are overwhelmed with requests for help in navigating government relief. The CARES Act increased our budgets by \$420K last year, but this funding winds down in September. It will take longer than that for California's hard hit communities to fully recover.

Remember last month's presentation from Dr. Robert Fairlie - that these small, women-owned businesses are circulating their revenues more than two times in their local communities. Thus, when you think of economic recovery in your district and statewide, you should be thinking of women entrepreneurs. .

Thank you,

Nancy Swift, Chair
CA WBC Network