



**Illinois**  
**Department of Commerce**  
& Economic Opportunity  
JB Pritzker, Governor

## **FOR IMMEDIATE RELEASE**

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## **State of Illinois to Receive More than \$350 Million in Federal Funding to Support Small Businesses**

*Illinois eligible to receive up to \$354.6 million from the U.S. Department of the Treasury's State Small Business Credit Initiative (SSBCI) to operate four programs*

**CHICAGO** – The U.S. Department of the Treasury today announced that Illinois will receive up to \$354.6 million to administer four programs as part of the State Small Business Credit Initiative (SSBCI). The expanded program offering through SSBCI will enable Illinois to support small businesses across the state - helping them attract more capital investment and expand or launch business operations, while supporting key sectors. All of the new programs will launch in the coming months.

“Here in Illinois, we’re proud to take the lead through innovation in our small business community,” **said Governor JB Pritzker**. “This small business funding program will help further accelerate our economy by providing business owners with the capacity for increased investment and expansion opportunities throughout the state.”

A major challenge for small businesses is gaining access to funding and capital – especially those owned by historically underrepresented populations such as women and people of color. Illinois’ SSBCI funding allows the state to greatly expand its small business support programs.

“Small businesses are the backbone of our Illinois economy, and we look forward to offering new programs that increase access to capital for Illinois entrepreneurs as they launch and grow their businesses,” **said DCEO Director Sylvia Garcia**. “With a focus on equity, these programs will help hundreds of Illinois businesses in communities across the state – especially those who have historically encountered barriers to accessing capital.”

Illinois’ four programs include the existing Advantage Illinois program, which provides favorable funding terms through a loan participation model; a new Advantage Illinois loan guarantee model, which will support businesses that have had difficulty receiving loans in the past; a new venture capital direct equity program that will support emerging technologies and industries; and a Climate Bank Finance program to issues loans to small businesses in the clean energy space.

The State Small Business Credit Initiative (SSBCI) was reauthorized as part of the American Rescue Plan Act (ARPA). The SSBCI program provides a combined \$10 billion to states, with Illinois eligible to receive up to \$354.6 million.

“In Illinois, small businesses are the lifeline of our communities,” said **U.S. Senator Dick Durbin (D-IL)**. “The funding from the State Small Business Credit Initiative will create jobs right here in our state while bolstering our local economy. I supported the American Rescue Plan, which funded this initiative, and I’ll continue working to make sure Illinois’ businesses have access to these critical resources.”

“As we emerge from the worst of the pandemic and work to rebuild and grow our economy, the American Rescue Plan is making programs like the State Small Business Credit Initiative possible,” said **U.S. Senator Tammy Duckworth (D-IL)**. “The SSBCI is a proven model to catalyze private investment and help support minority-led small businesses and small businesses in underserved communities that we know often face greater challenges in securing capital through traditional channels. I’ll keep working to support policies that help our small businesses, support our working families, and allow our economy to thrive.”

"It's not easy being a small business owner-- so many people are putting their family's finances on the line to take risks that create jobs and make our communities stronger" said **State Sen. Dave Koehler (D-Peoria)**. "By supercharging our small business lending programs, we are investing in our neighborhoods and our future."

“Illinois is home to the world's best research institutions, which produce the most innovative start-ups” said **State Sen. Scott Bennett (D-Champaign)**. "I'm thrilled that the state will be taking an active role in investing in our most promising small businesses so that top talent will continue to call Illinois home."

“We know that Black-owned businesses regularly have trouble accessing the capital needed to build thriving businesses and communities,” said **Rep. Nick Smith (D-Chicago)**. “Investing \$354.6 million for small business lending won't solve everything, but it will provide a leg up to those that need it. And by giving minority-owned businesses an even lower interest rate, we are helping those that have long been left out.”

“Illinois has been on the forefront of clean energy innovation,” said **Rep. Dagmara Avelar (D-Bolingbrook)**. “Investing in a Climate Bank to support entrepreneurs taking risks on groundbreaking technology puts us on a path to a carbon-free future.”

“Coming from the business world, I know how critical capital is to young companies,” said **Rep. Mark Walker (D-Arlington Heights)**. “I’m thrilled to see DCEO start a venture program so that innovative companies can start, grow, and call Illinois home for generations to come.”

### **Advantage Illinois (AI) Loan Participation Program (Existing Program)**

Advantage Illinois’ existing Loan Participation Program provides low-interest loans to small businesses by partnering with local lenders located across the state. In 2022 as of December, 71 percent of AI loans have gone to businesses owned by people of color, women, people with disabilities or veterans.

### **Advantage Illinois (AI) Loan Guarantee Program (New Program)**

Advantage Illinois' new Loan Guarantee Program will support business applicants who are having difficulty gaining access to capital by using funds to guarantee a percentage of loans provided by partner lenders. By guaranteeing a percentage of the loan, it makes loans more attractive to lenders and has the potential to increase the funds received by the businesses.

**INVENT Venture Capital Program (VCP) (New Program)**

Innovation Venture Fund (INVENT) will operate as a direct equity program with a focus on investing in businesses in key industries such as agriculture, ag tech, information technology, life sciences, manufacturing, quantum, and more.

**Climate Bank Finance Loan Participation Program (New Program)**

This new program will be overseen by DCEO and administered by the Illinois Finance Authority (IFA), which will partner with local lenders to issue the loans. Climate Bank funds will be available to small businesses in the clean energy sector.

The programs will launch in the near future; interested businesses should fill out [this form](#) to receive additional information and updates when the programs are launched.

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