

RESOURCE GUIDE: FEDERAL RESOURCES FOR AUTO SUPPLIERS

Small- and mid-sized suppliers are critical to the auto supply chain. To ensure the sector recovers to full strength as quickly as possible, the Biden-Harris Administration is committed to providing these businesses and workers with the resources they need. This whole-of-government action plan includes:

ACCESSING FUNDING AND CAPITAL

- **State Small Business Credit Initiative:** The Treasury Department’s State Small Business Credit Initiative provides \$10 billion to states, territories, and Tribal governments to expand access to capital for underserved businesses, build financing ecosystems that support entrepreneurs and small businesses, and provide technical assistance to small and underserved businesses.
 - **Financing:** Under the State Small Business Credit Initiative, small businesses can access financing through equity/venture capital programs, loan participation programs, loan guarantee programs, collateral support programs, and capital access programs tailored to local market conditions.
 - **Technical Assistance:** This program allocates \$400 million for technical assistance to small and underserved businesses to make them better prepared and more competitive for federal capital investments. Technical assistance services are supported through three programs: (1) \$200 million in formula grants to states under the Technical Assistance Grant Program, (2) \$125 million in competitive grants to incubators and accelerators servicing minority businesses under the Capital Readiness Program, and (3) \$75 million in competitive grants now available through the Investing in America Small Business Opportunity Program. The Investing in America Small Business Opportunity program is a live funding opportunity that will award discretionary grants of \$5-10 million to eligible jurisdictions to provide businesses with legal, accounting and financial advisory services. Applications are due in spring 2024.
 - The Treasury Department also convened a manufacturing-focused collaborative of nearly 20 states, which is standing up initiatives to address challenges faced by small manufacturers. These include programs to reduce lender risk when financing advanced technologies, expand access to working capital, improve flexibility in use of loan proceeds by small manufacturers, expand opportunity for small business owners from disadvantaged backgrounds, and invest in innovative start-ups.
 - Visit this [website](#) to learn more about the State Small Business Credit Initiative. For examples of how the program has been used to support manufacturing, click [here](#).
 - **How to apply:** Learn more about funding and technical assistance opportunities by state [here](#). Application processes vary by SSBCI awardee. For general questions, contact SSBCI_information@treasury.gov; this inbox can route inquiries to the appropriate state program.

- **Revolving Loan Funds:** The Economic Development Administration provides Economic Adjustment Assistance grants to eligible entities (for example, states, local government, institutions of higher education, and non-profits) to establish revolving loan funds that service businesses that cannot otherwise obtain traditional bank financing. These revolving loan funds provide access to capital as gap financing, enabling small businesses to grow and leading to new employment opportunities with competitive wages and benefits.
 - The Economic Development Agency has 500 active revolving loan funds nationwide with an aggregate balance of approximately \$270 million available for lending.

RESOURCE GUIDE: FEDERAL RESOURCES FOR AUTO SUPPLIERS

- **How to apply:** Individuals and for-profit entities are eligible to apply for loans from these revolving loan funds. Applicants must demonstrate that credit is not otherwise available on terms that permit the completion or successful operation of the activity to be financed. These are often loans for working capital for operating expenses. Consult the revolving loan fund operator [directory](#) to find a lender in your area.
- **7(a) loan program:** Administered by the Small Business Administration, this program provides loan guarantees to lenders that allow them to provide financial help for small businesses. The maximum 7(a) loan is \$5 million. The program also provides express loans that can be processed within a few days but are capped at \$350,000.
 - 7(a) loans can be used for purposes such as acquiring, refinancing, or improving real estate; short- and long-term working capital; refinancing current business debt; purchasing and installing equipment; purchasing furniture and supplies; changing of ownership; and multiple purpose loans.
 - More information is available [here](#).
 - **How to apply:** Leverage the [Lender Match](#) tool to connect with a participating lender. Submit applications directly to accredited lenders. To be eligible for 7(a) assistance, businesses must operate for profit, be located in the United States, meet Small Business Administration size requirements, be creditworthy with a reasonable ability to repay the loan, and not be able to obtain the desired credit on reasonable terms from non-Federal, non-State, and non-local government sources.
- **504 loan program:** The 504 Loan Program provides long-term, fixed rate financing for major fixed assets that promote business growth and job creation. 504 loans are available through Certified Development Companies, the Small Business Administration's community-based partners that regulate nonprofits and promote economic development within their communities.
 - A 504 loan can be used for assets such as the purchase or improvement or construction of facilities, land, or equipment. 504 loans cannot be used for working capital or inventory; consolidating, repaying or refinancing debt; or speculation or investment in rental real estate. The maximum loan amount is \$5.5 million. For certain energy projects, the borrower can receive a 504 loan for up to \$5.5 million per project for up to three projects not to exceed \$16.5 million total.
 - Visit [this website](#) to learn more about the 504 Loan Program.
 - **How to apply:** Businesses should contact their local Certified Development Company directly for questions about eligibility and applications. Click [here](#) to find your local Certified Development company, as well as its website and contact information. To be eligible for a 504 loan, your business must: operate as a for-profit company in the United States or its possessions; have a tangible net worth of less than \$15 million; and have an average net income of less than \$5 million after federal income taxes for the two years preceding your application. It usually takes several months for applications to be processed.
- **Hardship Accommodation Plan:** The Small Business Administration offers a Hardship Accommodation Plan for COVID-EIDL borrowers facing short-term financial challenges. Eligible borrowers may make reduced payments for a six-month period, with the option to renew after the plan concludes. Interest continues to accrue, which may create a balloon payment due at the end of the loan term. Payment reduction varies by past enrollment status. The regular monthly payment amount resumes after the six-month period ends.
 - Borrowers are eligible to enroll in the Hardship Accommodation Plan beginning 60 calendar days before their first payment due date. Borrowers may be able to renew the Hardship Accommodation Plan.
 - For more information on the program, visit this [website](#).

RESOURCE GUIDE: FEDERAL RESOURCES FOR AUTO SUPPLIERS

- **How to apply:** Contact COVID-19 EIDL Customer Service at 833-853-5638 or COVIDEIDLservicing@sba.gov, or send a message through the MySBA Loan Portal. In the email subject line, include your loan or application number and the reason for request. In the body of the email, include your loan or application number, reason for request, business name, applicant name and contact information.
- **Small Business Investment Company Program:** Managed by the Small Business Administration, the Small Business Investment Company program issues debt to venture capitalists, private equity funds and other vehicles that invest in American small, but scaling, businesses. When paired with private capital, the government-guaranteed loan increases access to financing for qualifying small businesses and startups while potentially improving risk-adjusted returns for private investors.
 - **How to apply:** Auto suppliers may seek funding from a Small Business Investment Company by referencing the SBIC [directory](#). This financing is meant for growth stage companies and each Small Business Investment Company has its own process for making investments. There is no standard timeline for receiving an investment. The Small Business Administration provides a general set of rules on what types of businesses qualify (for example, companies with net assets below \$18 million).

SUPPORTING WORKERS AND WORKFORCE DEVELOPMENT

- **Registered Apprenticeship:** The Department of Labor manages the Registered Apprenticeship program – a structured way for companies to support career development for their employees. With a Registered Apprenticeship program at their company, workers know in advance the blend of classroom instruction and on-the-job training they need to complete to enter designated jobs or receive promotions.
 - Many companies have reported that Registered Apprenticeship has helped them to increase recruitment, increase retention, and reduce training costs.
 - To learn more about how this program can help employers, click [here](#).
 - **How to access:** The federal Office of Apprenticeship, and apprenticeship offices across the country, are available to help companies evaluate if Registered Apprenticeship is right for them. Field staff can also provide technical assistance in setting up an apprenticeship. Connect with staff by filling out this [form](#).
- **Incumbent Worker Training:** Although most public workforce training opportunities are for unemployed/underemployed individuals, many states and local areas also support incumbent worker training as a critical facet of their regional economic development strategy. The Department of Labor has granted states the ability to make flexible decisions about training dollars for incumbent workers.
 - **How to access:** Different states have made different decisions about whether they will support such training, which high-growth industries are eligible, and yearly limits. To learn more about programs in your state and whether your company may qualify, visit your local [American Job Center](#), talk to the local [Workforce Development Board](#), or visit your state workforce agency.
- **American Job Centers:** The Department of Labor oversees a network of 2,400 [American Job Centers](#) across the country, which provide a full range of assistance to job seekers.
 - For workers, the centers offer training referrals, career counseling, job listings, and similar employment-related services.
 - For businesses, the centers provide an array of screening and referral tools, including electronic job postings and fairs, use of private interview space, background checks

RESOURCE GUIDE: FEDERAL RESOURCES FOR AUTO SUPPLIERS

- and customized screening, and regular referrals of qualified candidates. Many businesses work with American Job Centers to find diverse candidates.
- American Job Centers are operated by local Workforce Development Boards, which direct government funding to workforce development programs in your community.
 - **How to access:** Find the contact information for your local American Job Center [here](#) and your local Workforce Development Board [here](#).
- **Job Corps:** Job Corps is the largest nationwide residential career training program with over 120 locations across the country in industries like advanced manufacturing, automotive and machine repair, and information technology. The program helps eligible young people ages 16 through 24 complete their high school education, trains them for meaningful careers, offers students room and board, and provides transitional support services, such as help finding employment, housing, child care, and transportation. Job Corps has trained and educated over two million individuals since 1964.
 - Jobs Corps provides work-ready graduates with hands-on experience at no cost to the employer. Jobs Corps screens candidates, ensuring that Job Corps hires are equipped for the job. Jobs Corps also helps streamline the recruitment process; employers can customize training programs for their specific needs, standards, and certifications. To learn more about how Jobs Corps helps employers, click [here](#).
 - **How to access:** Fill out this [form](#) to connect with a local Jobs Corps center.
 - **Rapid Response Activity and Layoff Aversion Technical Assistance:** The Department of Labor oversees [Rapid Response solutions](#) for businesses that can provide customized, on-site services at your company to (1) help growing companies access the resources they need to continue to be successful and (2) respond to announcements of layoffs and plant closings by quickly coordinating services and providing immediate aid to companies and their affected workers.
 - **How to access:** If you are looking to access skilled workers, expect a layoff or plant closing, or wish to learn more about the solutions that Rapid Response can provide, [contact](#) your state Rapid Response team.

PROMOTING BUSINESS AND PROVIDING TECHNICAL ASSISTANCE

- **The Manufacturing Extension Partnership Network:** Overseen by the Department of Commerce, the Manufacturing Extension Partnership is federal and private industry collaboration that brings together over 1,400 manufacturing experts to support and help small and medium manufacturers with a variety of services.
 - These centers are located in every state and Puerto Rico and can assist manufacturers with services like recruiting or reskilling employees, implementing lean manufacturing techniques, pivoting production lines to new industries, adopting technology to help improve productivity, and finding suppliers and other services.
 - In June 2023, the Manufacturing Extension Partnership also awarded over \$20 million to create the Supply Chain Optimization and Innovation Network to strengthen supply chains — including the automotive supply chain. With this funding, 12 Manufacturing Extension Partnership Centers in states with high concentrations of automotive manufacturers are working to address automotive supply chain vulnerabilities.
 - **How to access:** Find the contact information for your local Manufacturing Extension Partnership [here](#). These centers provide hands-on and low-cost assistance to small and medium sized manufacturers but do not provide grants or loans.

RESOURCE GUIDE: FEDERAL RESOURCES FOR AUTO SUPPLIERS

- **Export Promotion for the Automotive Industry:** The International Trade Administration assists small and medium-sized enterprises with identifying and accessing export markets. The agency has nearly 300 international trade experts across 106 offices in 48 states and Puerto Rico, as well as a dedicated Automotive Team at its headquarters. These experts can help companies problem solve in markets where they already export; provide in-depth international market intelligence; help make business connections; work to establish a level playing field for U.S. businesses; and advocate for U.S. business interests abroad. Learn more on the ITA Automotive and Smart Mobility [website](#).
 - **How to access this resource:** Contact the team by filling out this [form](#).
- **Export Centers:** The Minority Business Development Agency oversees a network of Export Centers that can provide industry-focused technical assistance and business development services to minority businesses to help generate increased financing, contract opportunities, and greater access to new and global markets.
 - **How to access this resource:** [This directory](#) provides contact information for each Export Center. These centers provide low-cost services (typically linked to revenue) and are open to all minority businesses but with a particular focus on those with revenues exceeding \$500,000.
- **Advanced Manufacturing Centers:** Overseen by the Minority Business Development Agency, Advanced Manufacturing Centers offer targeted, industry-focused assistance to minority manufacturers that aim to employ new technologies to increase the number of “Made in America” products for sale.
 - **How to access this resource:** [This directory](#) provides contact information for each Advanced Manufacturing Center. These centers provide low-cost services (typically linked to revenue) and are open to all minority businesses but with a particular focus on those with revenues exceeding \$500,000.
- **Minority Business Centers:** The Minority Business Development Agency’s flagship Business Center Program assists minority business enterprises in securing capital, competing for contracts, and becoming export ready. The centers are located across the country in regions with the largest concentration of minority populations and the largest number of minority businesses.
 - **How to access this resource:** [This directory](#) provides contact information for each Business Center. These centers provide low-cost services (typically linked to revenue) and are open to all minority businesses but with a particular focus on those with revenues exceeding \$500,000.
- **Small Business Technical Assistance Programs:** The Small Business Administration partners with organizations throughout the country to provide localized training and resources to small businesses.
 - Resource partners provide tailored business advisory services and technical assistance to help promote small business growth and expansion, management improvement, and increased productivity and innovation. Specific services provided include assistance with accessing capital, developing and exchanging new technologies, feasibility analysis, business planning and strategy, marketing, financial management.
 - Resource partners include Small Business Development Centers and SCORE business mentors, both of which provide solutions tailored to small businesses. The Veterans Business Outreach Center program is specifically designed to offer resources to veterans, service members, and military spouses interested in starting or

RESOURCE GUIDE: FEDERAL RESOURCES FOR AUTO SUPPLIERS

- growing a small business. Women's Business Centers provide counseling to women who want to start, grow, and expand their small business.
- **How to access this resource:** Most of these resources are provided at no cost and do not require applications. These partners have locations across the country and are also available for virtual consultations. [This directory](#) provides contact information and websites for these partners.