FACT SHEET: Biden-Harris Administration Announces Historic Support for Tribal Small Businesses as Part of President Biden’s Investing in America Agenda

Small businesses are the backbone of the economy – employing half of all private sector workers and growing our economy from the middle-out and bottom-up in every corner of the United States, including in Indian Country. Tribal communities and Native-owned small businesses, however, were disproportionately hard hit by the pandemic, including a roughly 40% decline in the number of Native-owned small businesses in the immediate aftermath of the pandemic.¹

Today, the Biden-Harris Administration is announcing approval of the first 15 Tribal State Small Business Credit Initiative (SSBCI) awards for tribal governments funded by the American Rescue Plan, providing $73 million to 39 Tribal Governments to support Tribal enterprises and small business owners, as part of President Biden’s Investing in America agenda. These are the first-ever SSBCI awards directly to Tribal Governments. The announcement coincides with the launch of the second round of President Biden’s Investing in America tour, where President Biden, Vice President Harris, First Lady Jill Biden, and leaders across the Administration will fan out across the country over the course of three weeks to highlight manufacturing, infrastructure, and cost-saving investments in communities across the country driven by President Biden’s economic agenda.

For the first time ever, President Biden’s American Rescue Plan (ARP) included more than $500 million in SSBCI support that has been set aside for, and applied for, by Tribal Governments. This is the first ever inclusion of dedicated, direct support to Tribal Governments in the State Small Business Credit Initiative (SSBCI) program to help enable investments in Tribal enterprises and small businesses. Investments like SSBCI will help to ensure that all Americans—including in historically underserved Tribal communities—will benefit from the record small business growth happening under President Biden’s leadership. The SSBCI awards announced today will not only benefit Tribal communities and Native entrepreneurs but will also create critical jobs and economic opportunities for workers and businesses in surrounding areas. The ARP’s historic reauthorization and expansion of SSBCI—a more than 6-fold increase from the program’s original 2010 allocation—is expected to support 100,000 small businesses and result in tens of billions of dollars in new small business financing nationwide over the course of the decade.

“Small businesses are the backbone of our nation’s economy. Our Administration has taken action to expand access to capital for all entrepreneurs and small business owners so they can expand, grow and thrive in the communities they serve.” said Vice President Harris. “Far too often, entrepreneurs and small business owners with big plans and a vision for the future struggle simply because they lack the capital or financial services they need. That is why we are making this historic investment, which will help Tribal communities grow their small businesses, create jobs, and strengthen our economy. President Biden and I will continue to fight to make sure that all communities have the resources they need to thrive.”

First-Ever State Small Business Credit Initiative Tribal awards highlighted today include:

- $2 million to the Menominee Indian Tribe of Wisconsin (MITW). The MITW’s SSBCI programs will build on the Tribe’s lending experience to take on capital access barriers in a county with a poverty rate more than double the state’s average. The SSBCI programs will partner with
lenders—including a Wisconsin Native CDFI—to support small businesses owned by Tribal members, chartered by the Menominee Tribe, or located on the Menominee reservation.

- **$22 million to 25 Tribal governments applying jointly through the Affiliated Tribes of Northwest Indians Economic Development Corporation (ATNI-EDC).** ATNI-EDC, a Native CDFI, will operate SSBCI programs on behalf of the 25 Tribes—spread across California, Oregon, Washington, Idaho, and Arizona—many in rural communities with limited access to capital. The programs will support Native American entrepreneurs, Tribal enterprises, and the development of Tribal business credit ecosystems. Supporting Tribal governments as they form consortia in order to more effectively operate new credit initiatives at scale was a key outcome of Tribal consultations in the design and administration of these new SSBCI resources.

- **$1.4 million to the Yurok Tribe** of California, the largest in the state, to operate new loan participation programs, including in conjunction with the Tribe’s Native CDFI. The Alliance CDFI was created by the Yurok Tribal government to address the lack of access to financial services in a remote community with high poverty rates. The programs will serve small businesses owned by Tribal members as well as Tribal enterprises.

For a full list of approved SSBCI awards to Tribes, click [here](#).

Today’s announcement builds upon the Biden-Harris Administration’s [historic support](#) for recovery, expanded economic opportunity, and better access to capital for Native people and Tribal communities, including:

- **Launching the Federal Initiative on Access to Capital in Indian Country** – a multi-agency strategy to improve awareness of, access to, and utilization of federal funding resources for Tribal governments, Tribal enterprises, Native entrepreneurs, and Native Community Development Financial Institutions (CDFIs).

- **Delivering the largest-ever infusion of federal capital to Native-serving CDFIs in history through the Emergency Capital Investment, Rapid Response and Equitable Recovery Programs announced by Vice President Harris.** Treasury has invested $234 million in Native-owned and Native-majority shareholder depository institutions through the Emergency Capital Investment Program (ECIP). Based on preliminary analysis, Treasury projects that ECIP investments nationwide could increase lending in Native communities by up to nearly $7 billion over the next decade. Additionally, the CDFI Rapid Response Program provided more than $55 million in immediate assistance in Native communities impacted by the COVID-19 pandemic and the Equitable Recovery Program awarded $46 million to 30 Native CDFIs in April 2023, strengthening the ability of these institutions to aid low- and moderate-income Native communities in their recovery from the COVID-19 pandemic and invest in long-term prosperity.

- **Awarding a $45 million Build Back Better Regional Challenge (BBB-RC) grant to the Mountain Plains Regional Native CDFI Coalition to grow the Native finance sector and expand economic opportunity** in Native American communities in Montana, North Dakota, South Dakota and Wyoming. The investment will provide financial investment to Native businesses and entrepreneurs, solidify a locally led financing infrastructure, and help to reverse decades of historical disinvestment and institutionalized inequities for Native communities by driving business development and job creation. The BBB-RC award is just one of the over 120 economic
development grants—totaling nearly $500 million—awarded by the Department of Commerce with ARP funds to projects serving Native communities.

- **Providing the largest-ever direct federal investment in Indian Country through the American Rescue Plan**, providing more than $32 billion specifically allocated for Tribal communities and Native people. This support included $20 billion in Fiscal Recovery Funds that were quickly and directly distributed to 579 Tribal governments in 2021 to stabilize Tribal economies devastated by the pandemic, allowing them to quickly respond to the unique needs of their communities and make the investments they deem most valuable – from the Mescalero Apache Tribe’s investment in workforce development to the Spirit Lake Tribe’s support for small ranchers.

- **The single largest dedicated investment in Tribal infrastructure ever**. The Bipartisan Infrastructure Law is deploying record investments to provide affordable high-speed internet, safer roads and bridges, modern wastewater and sanitation systems, clean drinking water, reliable and affordable electricity, and good paying jobs in every Tribal community. The law provides more than $13 billion in funding to directly support Tribal communities and makes Tribes eligible to apply for or request billions more in discretionary, formula, and other funding.

- **Supporting the most aggressive action on climate and clean energy in American history through the Inflation Reduction Act (IRA)**, including more than $720 million specifically for Tribes and Native communities to plan for and adapt to climate change, mitigate drought, support fisheries, and shift to clean energy production and use.

While challenges remain to ensure that all Tribal communities can achieve prosperity and resilience, the Biden-Harris Administration’s investments in Indian Country are working to help ensure a robust recovery and a more promising economic future:

- **Lowest-ever unemployment rate among American Indians and Alaska Natives (AI/AN)**: In the first twelve months after the start of the pandemic, the AI/AN unemployment rate averaged more than 12%. In February of 2023, the average unemployment rate over the previous twelve months dropped to 5.7%, the lowest level on record going back to 2000.

- **Lowest Native American child poverty rate on record**: Historic support for Native American families, including the ARP’s expanded 2021 Child Tax Credit, helped cut AI/AN Child Poverty by more than half in 2021, reaching record lows.

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1 Calculations by Robert Fairlie, Professor of Policy and Economics, UCLA based on Current Population Survey data.