

As we announced last week, the U.S. Department of Commerce's Economic Development Administration has released [guidelines for accessing stimulus money](#) through the EDA American Recovery Program. While we certainly applaud the influx of additional dollars into economic development programs like business incubators, we are concerned that the funding guidelines continue to be based on EDA's traditional cost-share requirement of 50 percent.

Although we had been assured by EDA insiders that the local match would be reduced or waived, EDA guidelines suggest that they generally expect the traditional match and only will consider reduced match individually. They've not provided a blanket waiver.

We believe that in these extraordinary times, the agency shouldn't be reviewing proposals and their match on a case-by-case basis. This will not result in a speedy injection of these funds, and this policy also will fail to benefit the communities that most need stimulus. Instead, we believe EDA should provide a blanket waiver to permit a *maximum* 25 percent local match, as is the case with [disaster assistance funds](#) currently available. These disaster assistance funds (\$400 million) provide a precedent for reducing the match on the stimulus funding.

We urge you to call and write members of your congressional delegation *today* to ask them to push for a 75-25 match for EDA funding, with some opportunities for 100 percent EDA funding. Also, as Congress begins its debate on the FY 2010 budget, ask your senators and representatives *to support funding that is truly flexible and can benefit the existing network of incubators*. Given the nation's continued economic deterioration, we believe that the network of over 1,000 U.S. incubators provides the best means for creating jobs and generating wealth in communities across the country.

As you're talking with members of your congressional delegation, you also will want to encourage them to support reauthorization of the SBIR program, which will expire on Friday, March 20, unless Congress acts before that date. The SBIR program historically has been an important source of R&D funding for many incubator clients and graduates, and we certainly do not want to see this funding program disappear.

To locate contact information for your senators and representatives, visit www.senate.gov and www.house.gov. To help you make your case, you will find additional information about EDA funding programs and important new research that proves that business incubators are the best investment of public dollars at www.nbia.org/works. During these tough economic times, we also encourage you to check out a new section of our Web site titled [Recession Resources](#), where you'll find tools to help you survive and thrive, including a library of books, articles and Web links on advocacy, maximizing your budget, marketing and more.

We will continue to update you about changes in federal funding guidelines as we learn of them.

Sincerely,

Dinah Adkins
NBIA President & CEO