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## **New Jersey's Investment Pales Considering the Average Investment in SBDCs Nationally**

### ***Small Business Owners Want a Fair Share of Their Taxes Back***

**June 15, 2015** (Newark, NJ) – America's SBDC New Jersey (NJSBDC), the Small Business Development Centers network, continues to advocate for restoration of its State Government match funding since the program brings back to New Jersey \$3 million dollars in federal funding to provide comprehensive assistance for small business owners and entrepreneurs.

That state match is critical along with other non-federal funds it raises to obtain full federal funding for small business assistance services in all 21 counties.

Small business clients from around the state readily acknowledge that the guidance and knowledge they receive through this program has helped them stay in business, develop and grow. They are pushing for the State Legislature to allocate more resources. During 2014, 534 NJSBDC clients started a new business and the NJSBDC network helped its clients create and save 15,089 jobs. The network counseled and trained more than 12,000 small businesses and entrepreneurs.

Clients maintain that this program is simply returning services they are already pre-paying for through the large amount of federal and state taxes they pay. "If the larger companies receive all sorts of tax incentives, grants and other subsidies, why isn't the State of New Jersey providing the proper investment level for small business assistance through the NJSBDC program?" said Deborah Smarth, NJSBDC chief operating officer-associate state director. "After all, small businesses create the bulk of the jobs."

A recent, past survey of SBDCs nationally indicated that the average state investment in SBDCs stands at \$1.1 million. New Jersey falls significantly below that average. States like Georgia and North Carolina with a similar size population as New Jersey invest \$3.0 million and more than \$2.0 million respectively.

During the last administration, the network received \$1 million in state allocation, but, due to executive action, it was reduced to \$500,000 even after the Legislature's efforts to restore the full one million. Then mid-fiscal year, the Corzine administration froze the program to \$250,000 which is where it is today.

The Christie administration in its first year had tried to eliminate that modest funding level, but, the Legislature restored the funding and the \$250,000 allocation has been stable for the past few years and the Governor's proposed budget for 2015-2016 allocates the same level.

“We look at the high dividends returned to the State economy through this program,” said Brenda Hopper, NJSBDC chief executive officer-state director. “Small businesses deserve more.”

“New Jersey should restore state investment to where it was a few years ago,” said Deborah Smarth. “That certainly would send a strong message and maximize resources for small business development and growth.”

Hopper added, “It’s time that New Jersey moves ahead to enhance small business development.”

America’s SBDC New Jersey maintains had it not been for the network experts’ advice and guidance, more individuals would be on unemployment and more businesses would not have survived during the 2008 Great Recession and post-period. The network helped clients re-boot after Super Storm Sandy’s impact on the small business sector, also. Without NJSBDC’s help, there would have been even more job losses and business closings.

“We’re just looking for equity in investment decisions based on metrics outcomes,” Smarth added. “It’s clear that the program produces strong ROI for the state. The state funding allocation should take that into consideration especially in times like these with a lackluster economic recovery.”

“Our experts advise small businesses that come to us for help in communities across the state,” said Hopper. “We are on the ground everywhere.”

“Forty-six legislators stood with the NJSBDC network and sponsored budget resolutions calling for increased funding during last year’s budget cycle,” said Smarth. “Small businesses are the innovators and job creators. We hope that the Legislative Leadership plays an active role in following its caucus support for this program. Making a small investment increase in entrepreneurship and small businesses is the right thing to do.”

### **About America’s SBDC New Jersey (NJSBDC)**

This non-profit network of 12 centers is a federal-state-educational partnership, assisting small business owners and entrepreneurs with every stage of business development and growth. The network headquarters is located at the Rutgers Business School in Newark. Its major funding partner is the U.S. Small Business Administration. The New Jersey Business Action Center is an additional funding partner along with other public and private grants/sponsorships. The NJSBDC network is an accredited member of the national network of SBDCs, with approximately 1,000 centers and satellite offices throughout the country assisting small businesses to save and create jobs across the nation. For more information, visit **[www.njsbdc.com](http://www.njsbdc.com)**.

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