

In the midst of fierce debate about how best to restore our nation's economic strength, there lies one simple answer: small business entrepreneurship.

Recently, I spoke to the CEO of American Express and commended his company's sponsorship of the second annual "Small Business Saturday," an effort to encourage consumers to choose small, local retailers for their holiday shopping purchases. He told me the idea came from a young employee, and that it's showing positive results. Last year retail sales at smaller, independent stores the Saturday after Thanksgiving increased nearly 30 percent over the same day the year before.

While I have repeatedly decried the destructive impact that certain large financial institutions have had on our economy in recent years, I applaud American Express's recognition that the success of America's economy depends on the success of America's small businesses. This is a familiar concept in Nebraska, where we enjoy the second lowest unemployment rate in the nation and one of the most robust economies among all 50 states.

Over the past year, small business opportunities in our state grew at record levels. In fiscal year 2011, the number of small business loans in Nebraska financed through the Small Business Administration (SBA) hit a new high. The SBA approved a total of 530 loans for \$167.5 million in loan guarantees through more than 75 banks and credit unions across the state, an increase of nearly 10 percent over the previous year. As a result of this activity, it is estimated that 2,000 new jobs are being created in Nebraska.

Eastern Nebraska saw particularly rigorous growth, as loan volumes increased by almost seven percent in the First Congressional District and nearly 22 percent in Omaha and parts of Sarpy County. Such growth indicates that even in the midst of a national downturn, when many large businesses are immobilized by uncertainty, Nebraska entrepreneurs are compelled to act by the opportunities they see in their communities.

Nebraska communities rely heavily on the well-being of their small businesses. In Lincoln, nearly 80 percent of private sector employees work in businesses with 25 or fewer employees. Helping existing small businesses grow, and helping new small businesses get started, is a sound economic development strategy in rural and urban places. Those towns and cities with economies centered on strong small business networks are more resilient and less susceptible

to economic shock when a large employer abruptly lays off employees or closes its doors. When Tyson Foods closed a plant in Norfolk without notice a few years ago, the city's diverse economic base and vibrant small business community helped it not only withstand the loss of 1,300 jobs, it helped strengthen and grow the local economy in the years since the meatpacker left.

There are ways the federal government can help encourage small business development nationwide. Last Fall, the U.S. House of Representatives, with my support, passed measures such as the *Small Company Capital Formation Act* (HR 1070), the *Access to Capital for Job Creators Act* (HR 2940), and the *Entrepreneur Access to Capital Act* (HR 2930) that amend existing policies to allow small business owners greater access to capital for purposes of growth and expansion. A challenge facing some small businesses is uncertainty due to increasingly aggressive and unpredictable government regulations. The House has also passed a bill I cosponsored called the *REINS Act*, which would require any regulatory measure having a cumulative impact of more than \$100 million annually to the economy to have congressional approval.

Like they have in Nebraska, small business entrepreneurs can help revitalize our nation's economy. Most new jobs are created by small businesses, and robust small business activity helps diversify and strengthen local economies. The federal government's efforts to inspire economic recovery should be focused on finding creative ways to help improve the conditions in which small businesses can grow and expand.