

MICROENTERPRISE INITIATIVE

Legislative Strategy

The Microenterprise program consists of several legislative elements: PRIME Act; increased funding for SBA; increased funding for IDAs; and small increase in overall funding, as well as proposed supplemental funding (Hurricane Mitch) for USAID.

- With the exception of PRIME, we have not as yet laid out legislative strategy
- On PRIME, have met with CDFI Fund legislative point to understand current status:
 - The PRIME bill was introduced in the House on January 19 by Rush, Leach, LaFalce and Vento (Bill is H.R. 413). Expect Sens. Kennedy, Domenici and possibly John Kerry to introduce essentially the same bill in the Senate the first week in February
 - Hearings on the Bill in the House are not expected before spring and possibly later. No word yet on when or if hearing will be heard in the Senate.
 - Possible that at some point PRIME bill and CDFI Fund reauthorization may be linked

Internal Administration Process

- Brainard and McNamer to finalize overall outline of international package week of Feb 1 in advance of Microenterprise event.
- International team to continue to work with USAID, Treasury and State thereafter to put more detailed plan in place and begin implementation

Executive Actions and Communications Plan

- Will use Microenterprise Awards event February 5 in the East Room to present Administration's Microenterprise Package, both Domestic and International
- POTUS visit to Central America in February will provide further opportunities to highlight USG support for microenterprise in that region and particularly in

response to devastation of Hurricane Mitch

Outreach Effort

- Have met with and talked to a number of microenterprise groups (e.g., FINCA, ACCION International, Enterprise Fund) in pulling together this years' program. Going forward, there is probably no need for systematic outreach with these groups

Actions for Senior White House Staff to Take

- None immediately. Legislative action on PRIME may require some support in the Spring.