

STATE OF NEBRASKA

DEPARTMENT OF ECONOMIC DEVELOPMENT

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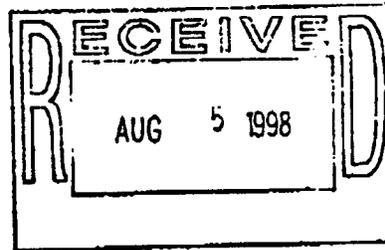


E. Benjamin Nelson

Governor

July 30, 1998

The Honorable Douglas K. Bereuter
2184 Rayburn House Office Building
Washington, DC 20515



Dear Congressman Bereuter,

I am writing regarding HR 4179, Program for Investment in Micro-Entrepreneurs (PRIME) Act of 1998. As you know, this bill would provide grants for micro-enterprise organizations across the country to assist disadvantaged and low income entrepreneurs with essential training and education. Local organizations would leverage these funds with private and local resources to increase the impact of the federal seed money. If passed, the PRIME Act would provide needed assistance to micro-businesses in Nebraska.

According to the Nebraska Microenterprise Learning Project Survey, there are more than 171,000 micro-businesses in Nebraska. This figure represents 91 percent of all businesses in Nebraska. Micro-businesses employ 25 percent of all Nebraskans, or approximately 188,000 people.

Nebraska is considered a leader in micro-enterprise development. It has created and developed some of the nation's most innovative programs that support micro-entrepreneurs. The Nebraska Department of Economic Development allocates approximately \$500,000 per year for small business development through the Community Development Block Grant program. When the Nebraska Unicameral passed the Microenterprise Development Act in 1997, \$500,000 was authorized for loans and technical assistance to micro-businesses in Nebraska. The PRIME Act would provide an additional funding source so Nebraska could continue its micro-enterprise development programs.

Thank you for your consideration of this important legislation. If you have any questions, please contact me.

Sincerely,

Maxine Moul
Director