



**STATEMENT FOR THE RECORD BEFORE THE COLORADO HOUSE BUSINESS
AFFAIRS & LABOR COMMITTEE ON HB26-1003 SMALL BUSINESS RECOVERY
MODIFICATIONS**

February 4, 2025
Hunter Nelson, Colorado Director
Small Business Majority

Thank you, Chairwoman Ricks and members of the Committee,

My name is Hunter Nelson and I'm the Colorado Director for Small Business Majority, a small business advocacy organization with a mission to empower America's diverse entrepreneurs to build a thriving and equitable economy. I'm pleased to provide testimony in support of HB26-1003, legislation that would make improvements to the Colorado Loans to Increase Mainstreet Business Economic Resiliency (CLIMBER) Loan Fund while also supporting the Colorado Startup Loan Fund.

The current purpose of the CLIMBER Loan Fund is to support the state's recovery from the economic crisis caused by the COVID-19 pandemic and this bill modifies the purpose of the program to support Colorado's small businesses. Currently, money in the fund may be used for specified purposes if the money from the fund is matched by money provided by other sources at a ratio of \$1 of money from the fund to \$4 of money from other sources. The bill changes this ratio to \$1 from the fund to \$1 from other sources. This better reflects the current landscape as small businesses today need more ongoing support.

The CLIMBER Loan Fund is the [only](#) loan participation program that receives federal State Small Business Credit Initiative (SSBCI) funding, making it a crucial source of capital. Through our work with Colorado Community Development Financial Institutions (CDFIs), they shared that there were barriers to participating as lenders in the CLIMBER Loan Fund program. This includes the 4:1 private leverage capital requirement, which is hard for many CDFIs to meet. Many of the CDFIs also shared that they wished SSBCI funding could go to programs like the [Colorado Startup Loan Fund](#) or [Colorado Credit Reserve](#), which are easier for them to participate in and deploy capital from. This bill addresses this by transferring \$5 million to the Colorado Startup Loan Fund at a time where new businesses need it most.

This legislation directly addresses notable issues with CLIMBER, ensuring that more CDFIs can participate in the program and more capital can be deployed to underserved small businesses. Accessing capital is becoming harder due to shifting federal requirements, including lending from the Small Business Administration. Therefore, it's imperative that legislators support policies like HB26-1003. We urge you to support this bill so that Colorado small business owners can get the funding they need for their businesses to survive in this challenging economic climate.

Sincerely,

Hunter Nelson
Colorado Director
Small Business Majority