

The first of these is the EOL I, with loans up to \$15,000 and a term of up to 15 years, under which we provide assistance to those with marginal and submarginal incomes who need our help to expand or strengthen established businesses and those who have the necessary talent, motivation, and hopefully, experience to establish new businesses.

The second, the EOL II program, with loans up to \$25,000 and a term of up to 15 years, is designed to assist those who, although having incomes which may be above the marginal level, are unable to qualify under our regular loan programs, have been disadvantaged by factors beyond their control and have been denied the opportunity to compete in business on equal terms.

In other words, we have substantially expanded our role and the Government effort to implement title IV. We are, in fact, pushing harder than ever to help the disadvantaged through both loans and counseling.

We are attempting, in addition, to stimulate the growth of businesses which will have a beneficial economic impact on the communities in which they have established. Hopefully, these businesses will help not only the disadvantaged person who has an existing or new enterprise but will also help to raise the entire level of living within a given poverty area.

In this vein, I would like to stress that in SBA we do not accept the idea that a man in a given neighborhood, or a merchant of a given minority, is confined to doing business with people of his own kind. Wherever possible, we want to help struggling merchants break down such arbitrary barriers and expand their markets.

SBA also quickly saw that our program could never succeed if our employees sat behind their desks and waited for the people who needed help to come to them.

Two things were obvious: first, we had to go out in the field and identify these people. Second, we had to do a lot more than just make loans; we had to make the full range of our services available.

Today, Mr. Chairman, we are pursuing what we call an outreach program.

We are trying to meet the needs of people in the large metropolitan areas, the ghettos that are all too prevalent in our large urban areas; we are getting out into the smaller cities and towns; we are reaching into the backwoods and truly rural areas where some of the Nation's most severe poverty conditions exist; we are attempting to help all those who we can identify as needing help.

Our outreach program, Mr. Chairman, has shown substantial early success.

In New York State, for example, we were able, for the first time, to carry the program to the people in the upstate areas. As a result of our initial contacts, we now have regularly scheduled circuit riders from our Syracuse office visiting Rochester, Binghamton, Elmire, Utica, Ameterdam, Batavia, and Jamestown. In the last 6 months we processed 43 EOL loans and approved 37 for a total of \$500,000 in this area alone.

At the same time we have established regular visits from our New York City office to Newburgh, Poughkeepsie, Kingston, Ellenville, Albany, Queensbury, and Staten Island, while maintaining 11 full-