

Actually, we have progressively increased the private sector in our business loan program from an opening of about 20 percent of approved loan dollars back in 1960—this means either participation, part bank money, part Treasury money, or up to a 90-percent guarantee by the Government—from 20 percent to what we had in 1967, of 47 percent. This means that of the business loan program, 53 percent of the dollars were Treasury dollars, and 47 percent were private sector dollars. We hope we will get to be about a 60-percent private sector funding and a 40-percent Treasury dollar funding, which we think, if we can properly manage our program, will allow us to provide more loans of Treasury dollars to the higher risk spectrum of innovation loans, new product development, where we need to encourage the development. At the same time, there will be built credit know-how and credit experience for our small business constituents with the banking fraternity.

So that we think we have a right balance at the present time. Now the higher risk loan, very high risk loan programs we are capable of covering in our other programs, other than our straight business loan program.

Mr. HORTON. I would also like to know about the various programs that you have relating to urban areas.

What is your policy with regard to assistance to business in the inner city?

Are you trying to have or do you have any special programs to reach out and help initiate new business enterprises, particularly in the urban areas? I am talking about minority group ownership of businesses in what you might call the inner city or hard-core areas.

Mr. MOOT. Yes, sir. We have several specific programs aimed at that objective. I wonder if you would like me to go into them now? We do have a special—

Mr. HORTON. I was referring to the general policies.

Mr. MOOT. Yes, sir; we do have.

We recognize, just as you said, that at both ends of the spectrum—the inner city problem and the rural problem—we need to keep our programs in balance to prevent the outmigration—

The CHAIRMAN. This is one of the several new programs that have been added to SBA by mandate of Congress.

Mr. MOOT. That is right, sir.

The CHAIRMAN. And Mr. Hendricks will speak in detail regarding that. Basically, are you moving ahead?

Mr. MOOT. We are moving ahead, sir.

Mr. HORTON. Now, one further question. I recently had a number of small businessmen get in touch with me with regard to a questionnaire that was sent out by the Census Bureau. It asks a lot of detailed information. These small businessmen were very upset by the amount of detail that was required of them by the Census Bureau. In many instances they indicated that it was going to cost them considerable money in order to accumulate this information.

What are we doing about trying to help the small businessman with regard to these questionnaires and all of the extra effort that he is having to make with regard to reports to the Federal Government? Many of them told me, "I have a little business here and I do not run a bookkeeping firm. I just do not have the techniques to provide the information."