



**OFFICE OF  
STATE TREASURER  
DENISE L. NAPPIER**

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# **NEWS**

## **New IDA Program Targets Small Business Growth Provides Funds and Support for Launch or Expansion**

***Collaboration of community agencies offers program  
State Treasurer, Hartford Mayor, Fleet President speak at launch***

**HARTFORD, Conn., March 20, 2002** — There is a new opportunity to obtain financing and support for starting or expanding a small business in Hartford through a novel Small Business Individual Development Account (IDA) program.

The program, developed by a collaboration of community agencies, offers successful participants a match of up to \$4,000 for savings earmarked for business investment. The program also includes a wide range of training, technical support and financial counseling. Those who complete the program will also receive consideration for small business loans to obtain additional financing for their businesses.

While participants in IDA programs have always had the option of using their savings and matching funds to start or expand a small business, this is the first IDA program in Connecticut to specifically target small business development.

The agencies involved in developing the Small Business IDA program launched it today at the offices of the Spanish American Merchants Association (SAMA). These agencies included: Community Renewal Team, Co-Opportunity, SAMA, the Hartford Economic Development Corporation, the Hartford Economic Development Commission and neighborhood NRZs.

The announcement also featured IDA supporters including Connecticut state Treasurer Denise L. Nappier, Hartford Mayor Eddie Perez and Fleet Bank -- Connecticut President Chandler Howard.

There are two options available through this Small Business IDA program:

- ***Fastrack Venture:*** Open to applicants with moderate yearly household income (up to \$52,500 for a family of four, for instance), who are interested in expanding an existing "early stage" business. Participants are eligible for a 1:1 match on savings of up to \$4,000, yielding potentially \$8,000 for direct investment.
- ***New Venture:*** Open to applicants with lower household income (a maximum of \$36,200 for a family of four, for instance), who are interested in starting a new business. Participants are eligible for a 2:1 match on savings of up to \$2,000, yielding potentially \$6,000 for direct investment.

Program participants will be required to establish an IDA savings account at Fleet Bank, complete a basic financial education course and actively take part in a series of small business entrepreneurial training sessions.

Funds to provide the match for IDA savings accounts and to administer the program are being provided by the federal and state governments and Fleet, as part of its community investment agreement with the state Treasurer's Office. Fleet, in collaboration with the Treasurer's office, is providing \$100,000 for the Fastrack program. These funds will be used to match the savings of participants and to provide community agencies administering the program with support for the technical assistance and training they will offer. Additional funds from Fleet are also part of the savings match for the New Ventures program.

IDA programs offer matched savings accounts designed to help low income families and individuals accomplish their financial goals. Program participants have typically had the option of using their saving and the matching funds for milestones such as purchasing a home, financing higher education or starting or expanding a small business.

The Hartford Small Business IDA program will start this spring, with weekly financial education classes and monthly IDA savings club meetings at the offices of the Community Renewal Team, 555 Windsor Street, or Co-Opportunity, 117 Murphy Road. The small business training sessions will take place at the Spanish American Merchants Association (SAMA), 95 Park Street.

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***Additional information or application forms for the Small Business IDA program can be obtained by calling:***

- ***Tim Cole, Co-Opportunity (860)236-3617, ext. 112***
- ***Ana Sanchez Adorno, SAMA, (860)278-5825***

*Media Contacts*

- *Dennis Schain, Fleet(860)986-1383;*
- *Bernard Kavaler, Treasurer's Office (860) 702-3277;*
- *Ana Sanchez Adorno, SAMA (860)278-5825*