



Rural Community  
Assistance Partnership

**RURAL  
ENTREPRENEURIAL  
FEDERAL POLICY  
PLAYBOOK**

Sponsored by:



EWING MARION  
**KAUFFMAN**  
FOUNDATION



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To everyone using this playbook, thank you for the work you do in rural communities. This playbook is designed to guide you and support your efforts.

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## BRIEF HISTORY OF



The Rural Community Assistance Partnership (RCAP), founded in 1973, is a national network of nonprofit partners, including six regional partners, with its national office in Washington, D.C. Since its creation, RCAP's primary focus has been to provide technical assistance and training to build capacity in rural and tribal communities around economic development, access to safe drinking water and sanitary wastewater serving rural communities across the United States, tribal lands, and U.S. territories. RCAP's mission is to build resiliency and improve the quality of life in rural communities.



Ewing Marion Kauffman was an entrepreneur, and humanitarian whose innovative and long-lasting contributions have benefited millions of people in his hometown of Kansas City and beyond.

Ewing Kauffman's most enduring legacy to his community and the world is the Ewing Marion Kauffman Foundation. He established the Foundation with the same sense of opportunity and convictions he brought to his business endeavors. Kauffman wanted the Foundation to be innovative—to dig deep and get at the roots of issues to change outcomes in people's lives fundamentally.

Excerpted from: <https://www.kauffman.org/emk/>

## PROGRAM INTRODUCTION

RCAP created the playbook to help train rural entrepreneurs and ecosystem builders on how to implement policy solutions into meaningful action. The playbook consists of best practices on connecting with elected federal representatives, tips on how to reach their offices, and how to advocate policy ideas identified in this playbook effectively. Additionally, this playbook covers how to conduct meetings professionally and how to be your best advocate for your business. Lastly, the playbook offers rural entrepreneurship policy priorities that would lead to meaningful change and opportunities for entrepreneurship to thrive in rural America. These policy priorities have been identified by Start Us Up's America's New Business Plan.

## AMERICA'S NEW BUSINESS PLAN

In 2019, America's New Business Plan set out to level the playing field and create equitable access to entrepreneurial opportunities for everyday Americans striving to launch new businesses. Removing barriers that have made it harder for people of color, women, and those in rural communities to start a business requires addressing policies that directly impact new and small businesses and issues that limit access to entrepreneurship. The Plan focuses on four key pillars: access to opportunity, funding, knowledge, and support.

Excerpted from: <https://www.startusupnow.org/anbp>



## PLAYBOOK OVERVIEW

- America's New Business Plan
- Pro-Entrepreneurial Policies
- Advocacy
- Conducting Meetings
- Post-Meetings & Follow-Up



- **America's New Business Plan**
  - The playbook will cover the four pillars of America's New Business plan and why it can help business development.
- **Pro-Entrepreneurial Policies**
  - The playbook will cover federal policy ideas to support and strengthen entrepreneurship in rural America.
    - You can find more policy ideas to support entrepreneurship in [America's New Business Plan](#).
- **Advocacy**
  - Rural entrepreneurs & ecosystem builders will better understand pro-rural entrepreneurial policies and how to best advocate for them.
- **Conducting Meetings**
  - Rural entrepreneurs & ecosystem builders will learn how to begin conducting outreach and meetings with policymakers.
- **Post-Meetings and Follow-Up**
  - Rural entrepreneurs & ecosystem builders will learn how to maintain relationships with policymakers, leading to positive policy changes and long-term implementation.

# AMERICA'S NEW BUSINESS PLAN

Below are the four pillars of America's New Business plan. Each pillar describes a crucial resource for a small business's success and why there is a lack of access to this resource in rural communities.

## ACCESS TO OPPORTUNITY

### A LEVEL PLAYING FIELD WITHOUT RED TAPE

Starting a business is hard for anyone. But the challenge is magnified for people of color, women, and rural residents. We cannot begin to make this opportunity available to all until we address the underlying and systemic issues that make it so. Entrepreneurship can be a path that leads to sustainable growth and prosperity, but that can only be the case if we take meaningful action to address barriers to entry.

## ACCESS TO FUNDING

### THE RIGHT KIND OF CAPITAL EVERYWHERE

Capital remains among the most impactful ways to strengthen access to entrepreneurship. Today, at least 83% of entrepreneurs do not access bank loans or venture capital when launching a business, tilting the scales to favor the privileged who possess the wealth to create new businesses. The ongoing impact of past discriminatory policies, such as redlining, must be countered, and new investments must be made to ensure we are supporting entrepreneurs of color, women, and rural Americans who have less access to funding in the private market.

# AMERICA'S NEW BUSINESS PLAN

## ACCESS TO KNOWLEDGE

### THE KNOW-HOW TO START A BUSINESS

All entrepreneurs start with a business idea, but they need access to networks and know-how to turn that idea into a reality. Far too many courageous entrepreneurs risk starting a business without knowing where to begin or understanding the requirements and barriers of opening a business. We need to strengthen entrepreneur support organizations that help entrepreneurs along the journey, connect entrepreneurs to mentors, and improve education from pre-K upward.

## ACCESS TO SUPPORT

### THE ABILITY FOR ALL TO TAKE RISKS

Becoming an entrepreneur means leaving behind the stability of a traditional job and steady income – a daunting proposition for anyone, especially for the many Americans living paycheck to paycheck or with little savings. Having access to a safety net makes risk-taking far more viable. Policymakers must ensure the next generation of entrepreneurs have access to opportunities to improve their economic situations by helping Americans build wealth and addressing their real financial concerns that limit risk-taking.



## POLICY PRIORITIES

Each federal agency has a congressional committee or several committees that oversee it. The playbook divides these policy requests by each agency and committee. Members of Congress are assigned to serve on committees that help target members of Congress for advocacy outreach and specific priorities. Below is a list of federal agencies critical to supporting rural entrepreneurship and small businesses.

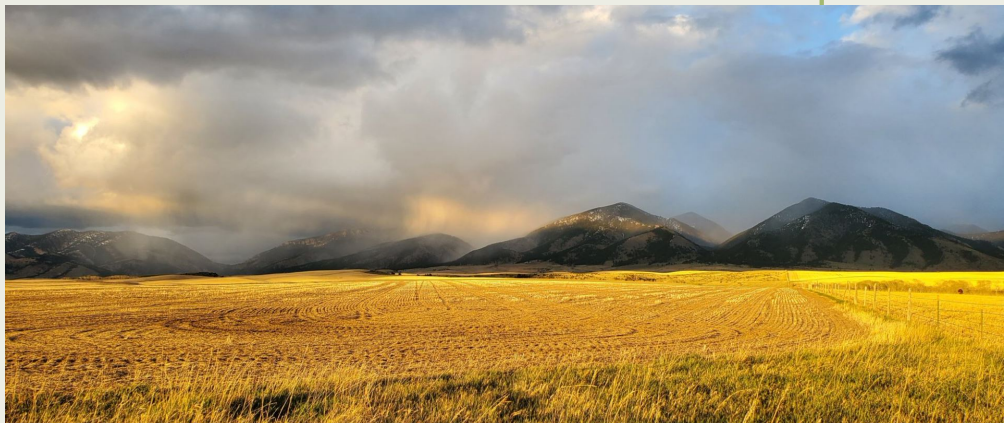
- [Economic Development Administration \(EDA\)](#)
- [Small Business Administration \(SBA\)](#)
- [Community Development Financial Institutions Fund \(CDFI\)](#)
- [Health and Human Services \(HHS\)](#)
- Broadband
  - Broadband issues fall under several various agencies.



## POLICY PRIORITIES

- **Economic Development Administration**

- Fund The U.S. Department of Commerce's Economic Development Administration (EDA) at \$3 billion in FY 2023 Appropriations.
  - EDA invests in planning, revolving loan funds, technical assistance, industry-driven workforce development, and infrastructure construction to expand communities' community development capacity.
  - Support at least \$10 million for EDA's Research and National Technical Assistance Program (RNTA).
  - Reauthorize the U.S. Economic Development Administration at \$3 billion per year, including a dedicated national technical assistance program funded at \$20 million.
- Increase the accessibility of the EDA's Revolving Loan Fund (RLF) Program by streamlining reporting and reducing associated regulatory burdens.<sup>1</sup>
- Recommend that the Economic Development Administration (EDA) target a significant amount of funding to projects in underserved communities and offer financial commitments in earlier stages of development.
  - Current funding mechanisms rely too heavily on outdated metrics that focus solely on job creation, which minimizes community-based organizations' ability to participate in implementing inclusive economic development initiatives that offer broader benefits.<sup>1</sup>



<sup>1</sup> Excerpted from: LISC Policy Priorities, [https://www.lisc.org/media/filer\\_public/d6/b5/d6b5ae3f-ce73-4cf2-b069-e0ee6dd2de62/lisc\\_policy\\_priorities\\_v2\\_economic\\_development\\_1.pdf](https://www.lisc.org/media/filer_public/d6/b5/d6b5ae3f-ce73-4cf2-b069-e0ee6dd2de62/lisc_policy_priorities_v2_economic_development_1.pdf)

## POLICY PRIORITIES

- Small Business Administration
- US Department of Agriculture

- Support rural business lending programs at USDA's Rural Business Service and the Small Business Administration (SBA), asking for the 7(a) loan-guarantee program to expand eligibility allowances. This will also make 501(c)(3) nonprofit organizations and 501(c)(19) veteran organizations with fewer than 500 employees eligible for loans.
- Congress should establish an Office of Emerging Markets (OEM) within SBA's Office of Capital Access by passing the Unlocking Opportunities in Emerging Markets Act. The office would ensure that SBA's access-to-capital initiatives address the needs of entrepreneurs in underserved markets, including rural ones.
- Congress should pass the Closing the Credit Gap Act to ensure that the Community Advantage pilot program is permanent. Community Advantage (CA), launched as a pilot in 2011, is a critical resource in closing the financing gap by providing loan capital of \$20,000 to \$250,000 to businesses in need. The program also provides entrepreneurs with technical assistance, focuses most investments in underserved markets, and provides mission-based lenders access to 7(a) loan guarantees. Permanence will give certainty to existing CA lenders and those lenders in need of further assurances before committing the resources needed to secure CA designation and develop a product line.
- Congress should increase funding for the Program for Investment in Micro-Entrepreneurs (PRIME). PRIME provides community-based organizations with essential resources that assist low-income entrepreneurs. The program focuses on providing financial and technical assistance to disadvantaged micro-entrepreneurs, capacity building for micro-enterprise development organizations and programs, and increasing research and development in the field. Congress should increase appropriations for the program to \$10 million to address oversubscription and ensure more communities can unlock its benefits.

## POLICY PRIORITIES

- **Community Development Financial Institution (CDFI)**

- CDFI Fund programs need to be scaled to meet the growth and needs of the industry, with appropriations of no less than \$1 billion annually.
- The CDFI Fund has not been reauthorized since its initial authorization in 1994, despite significant growth in the CDFI industry and the number and scope of initiatives administered by the CDFI Fund.
- Congress should also consider the following:
  - Expanding and funding a secondary market loan-purchase program for loans issued by CDFIs,
  - Creating and funding an initiative that would support CDFI investments in communities that have been targeted for redevelopment by other federal government initiatives (e.g., Opportunity Zones, Promise Zones, Choice Neighborhoods), and
  - Establishing a CDFI direct-loan product allows CDFIs to access loan capital from the Treasury Department outside of the annual award rounds.



## POLICY PRIORITIES

- CDFI

- The New Markets Tax Credit (NMTC) Program attracts investment capital to low-income neighborhoods that the traditional private marketplace has left behind. Under the program, investors receive a tax credit for making equity investments in certified Community Development Entities (CDEs), which use the proceeds to make loans and investments in businesses, real estate projects, and community facilities in low-income communities.
  - \$57.5 billion has been invested in low-income communities through the NMTC, supporting small businesses, manufacturing facilities, for-sale housing, charter schools, health care centers, child care centers, shopping centers, and grocery stores.
  - Make NMTCs permanent at no less than \$5 billion per year. NMTCs are scheduled to expire in 2020. Congress should support legislation in the House (H.R. 1321) and the Senate (S. 456) that would:
    - make the NMTC permanent
    - allocate no less than \$5 billion in tax credit authority per year
    - index it to inflation, and
    - permit it to be used to offset the alternative minimum tax (AMT)
  - Diversify the NMTC awardee pool. The NMTC allocation process is incredibly competitive. While this helps ensure that the awardees selected are highly qualified and will be good stewards of the allocations, it also means that many qualified applicants are frozen out each year. It is becoming increasingly difficult for “new” awardees to get an opportunity. Congress and the U.S. Department of the Treasury should consider options to help ensure participation by a broader diversity of underserved CDEs, including minority-owned CDEs and CDEs located in and serving underserved rural communities.

## POLICY PRIORITIES

- Health and Human Services

- The U.S. Department of Health and Human Services (HHS) provides critical resources to support community development efforts through its Office of Community Services, which houses the Community Economic Development (CED) grant program. CED grants are awarded to community development corporations (CDCs) to cover initiatives that provide funding for:
  - startup or expansion of businesses, physical improvements, or commercial activities;
  - capital expenditures such as the purchase of equipment or real property;
  - allowable operating expenses and loans or equity investments.
- CED grants promote economic mobility by creating new employment or business opportunities for low-income individuals.
- The program regularly supports neighborhood and corridor revitalization by funding commercial construction projects with limited access to another subsidy due to their location in historically disinvested communities. Congress should build on the success of the Community Economic Development grant program by appropriating an annual amount of \$21.6 million, as outlined in President Biden’s budget request.
- Congress should pass the bipartisan Recharge and Empower Local Innovation and Entrepreneurs Fund for Main Street (RELIEF for Main Street) Act, which creates a \$50 billion Small Business Local Relief Fund that provides direct assistance to cities, counties, and states. The act establishes or scales relief funds for businesses with less than 20 employees or companies with less than 50 employees in low-income neighborhoods. This is critical to communities typically underserved by traditional lenders and SBA products, including micro-enterprises and businesses owned by immigrants, minorities, women, and low- to moderate-income entrepreneurs. Appropriating resources focused on local relief funds and partnership initiatives afford broader accessibility and foster entrepreneurial success.

## POLICY PRIORITIES

- **Broadband**

- Congress can provide the critical resources needed to connect America, passing the Rural Broadband Acceleration Act, a bipartisan proposal that immediately funds shovel-ready high-speed internet projects.<sup>1</sup>
- Passing the bipartisan Universal Broadband Act of 2020 allows congress to modernize the Federal Communications Commission's Universal Service Fund (USF) by formally expanding the definition of covered communications services to include broadband services, thus drawing contributions to the fund from broadband providers. Funds generated through the USF assist with broadband infrastructure construction and affordability and must be updated to reflect the needs of the twenty-first century.<sup>1</sup>
- Continue strong funding levels for the USDA Reconnect Program.



<sup>1</sup> excerpted from: LISC Policy Priorities, [https://www.lisc.org/media/filer\\_public/d6/b5/d6b5ae3f-ce73-4cf2-b069-e0ee6dd2de62/lisc\\_policy\\_priorities\\_v2\\_economic\\_development\\_1.pdf](https://www.lisc.org/media/filer_public/d6/b5/d6b5ae3f-ce73-4cf2-b069-e0ee6dd2de62/lisc_policy_priorities_v2_economic_development_1.pdf)

## MEETING GUIDE

- Meeting with Congressional staff
- Distinction between advocacy and lobbying



A congressional meeting aims to educate members of Congress or their staff about your business's overall importance in their state/district and throughout the U.S. These meetings aim to build a relationship that results in the Member of Congress supporting policies to help rural entrepreneurs and small businesses.

It's important to note the legal distinction between educating on policy versus lobbying. While you should discuss your work and explain how key provisions can help your business, you cannot directly request the member's support or vote on a particular piece of legislation.

Generally, there are several Congressional educational opportunities – directly meeting a member when they are back home, holding meetings, or meeting with a member's staff in their service office. While meeting with a member can have a significant impact, staff are trusted advisors and often do the actual legwork on policy. Rural entrepreneurs can meet with their Washington, D.C. Staff online with virtual capabilities. Although, it makes sense to visit Washington D.C. to conduct federal advocacy during special occasions.

For example, RCAP invites rural entrepreneurs who have taken part in its training program to come to Washington, D.C. to conduct meetings. Regular contact is vital—at least annually or quarterly if you have more to discuss—to develop a strong relationship that can pay dividends down the line.



# MEETING GUIDE

## Overview

### **Member Meetings & Business Tours**

Members of Congress are usually back in their state/district around federal holidays when the House and Senate recess for a week or two. The longest break is August recess, typically lasting the entire month. Therefore, reaching out to request a meeting or scheduling a tour of your business during these breaks is key to successfully getting an engagement on the calendar.

### **Staff Meetings**

Staff can typically meet anytime during regular work hours, and some even travel around and hold office hours in various communities in rural areas. The first few days of each month may be busier than usual if they handle constituent cases due to handling calls about government payments.

### **Setting Up Meetings**

Setting up meetings well in advance is always recommended, as calendars can fill up quickly. Congressional staff receives hundreds of emails a day, so emails should be professional and straight to the point. In this playbook, you will find a template for reaching out to your Member of Congress's office. If they miss your email, follow up with that staffer a few days later on the same email thread.

## TARGETING OFFICES

Reaching out to offices requires both strategy and relationship management skills. Strategy can include timing.

Spring is one of the best times to advocate for appropriations and authorizations because it is when Congress begins to write next year's budget.

One of the most important strategies is knowing where you need to advocate. Start with congress members representing your district and state. You can educate them on their constituency and its needs.

Targeting key offices is an effective way to advocate. Once you establish which agencies and programs you care about, find out which congressional committees influence these agencies.

In the Resources section of the playbook, we've compiled a list of Senate and House Committees to target that covers the following agencies and issue areas:

- EDA
- SBA
- CDFI
- Broadband

## REACHING OUT

Next, you want to target members of the committees mentioned above. You can find this information directly on each committee's website (linked above).

The most efficient way to start is by calling the office of the members you are trying to reach. Once you are on the line:

- Describe who you are
- Share where you are calling from
- Explain the issue area you are advocating for
- Ask for the staffer's email that covers your issue area

In the Resources section of the playbook, we included a template you can use to reach out via email.

### **Pro Tip:**

If you have not heard back after a couple of days, follow up on your original email. Keep following up until the staffer makes time to schedule a meeting with you.

## MEETING PREPARATIONS

Being prepared is the best way to ensure a successful meeting. You have already reached out to the office, so you should understand which committees each member is on and, therefore, which programs are relevant to that staffer. Please make sure you answer the following questions:

- Which policy am I advocating for?
- If it regards funding, how much am I advocating for?
- Which pieces of legislation is this policy be found?
- How does this policy affect my business?
- How does this policy affect my community?
- Why should this congress member care about this policy? How will it affect their constituents?
- Where can the staffer learn more about the policy?

### Pro Tip:

Create a reference sheet to answer the questions above and review it before the meeting, so you know the subject matter. You can share the reference sheet with the congressional staffers before or after your appointment. If answering these questions educates you on the subject, it will also inform the staffer.



## CONDUCTING MEETINGS

You have scheduled and prepped for your meeting; now, you must conduct it. Start the discussion with a small introduction and allow the staffer to introduce themselves. Your introduction should include:

- Your name
- Your business's name
- Your business's location
- Why you are calling - a short description of your issue area/program

Then please begin describing the policy you are prioritizing. You want to make sure that you are educating how this program has helped your business/community or, if it is a new program/policy change, how it will help your business/community. At the end of the meeting, leave time for the staffer to ask questions. If you do not have the answer to a question, do not try to answer it; tell them you get that information for them a follow-up.

You must avoid asking the staffer for their boss to vote on any bill; this crosses the line of lobbying. Unless you have a license to lobby, you must stick to the rules of advocacy. Your discussion should always be educational to the staffer. You must also avoid talking about partisan divides, elections, and donations. These are all things that can get the staffer in trouble and make your advocating efforts ineffective.

Ways to make your meeting effective:

- Be respectful.
- Be prepared on the subject matter.
- Be educational.
- Avoid asking for votes and discussing partisan divides, elections, and donations.
- Leave time for questions.
- Follow up with a thank you and anything that you promised to deliver.
  - Example: Staffers may ask you for follow-up materials or questions you could not answer during a meeting.

## POST-MEETING

Our actions post-meeting are perhaps the most important.

Always follow up immediately with a thank-you note and anything you promised to deliver during the session. For example, send your reference sheet so staffers can refer to it later when meeting with the congress member.

Stay educated on the policy. You could serve as an essential resource for the potential policy, and the staffer may reach out for more information, especially if it takes any movement.

Keep staffers educated. Provide updates on any policy changes or movements even if the staffer doesn't ask. They can inform their boss, and you can continue building rapport with the staffer.

Many of the policies affecting rural entrepreneurs will be appropriated or authorized every year, resulting in a "rinse and repeat" engagement cycle. Consistent education and relationship management will eventually lead to policy enactment and implementation.



### Pro Tip:

The more you engage in the process, the more comfortable you'll feel. Establishing credibility, recognizability, and relationships with Capitol Hill staff will increase the chances of enacted policies.

If you have any questions or feedback regarding this policy playbook, please reach out to Hunter Jackman at [hjackman@rcap.org](mailto:hjackman@rcap.org)

## RESOURCES

- Congressional Committee List

Here is a list of congressional committees to target first.

**Senate and House Committees on Appropriations - These committees fund existing federal programs each year.**

- **EDA**
  - Senate Committee on Environment and Public Works (EPW)—  
Subcommittee on Transportation and Infrastructure
  - House Committee Transportation and Infrastructure (T&I)—  
Subcommittee on Economic Development, Public Buildings, and  
Emergency Management
- **SBA**
  - Senate Committee on Small Business & Entrepreneurship
  - House Committee on Small Business
- **CDFI**
  - Senate Committee on Banking, Housing, and Urban Affairs Committee
  - House Committee on Financial Services
- **Broadband**
  - Senate Committee on Environment and Public Works (EPW) -  
Broadband Acts
  - House Committee on Energy and Commerce (E&C) - Broadband Acts
  - Senate Committee on House Agriculture - USDA Reconnect
  - House Committee on Agriculture - USDA Reconnect

## RESOURCES

- Email Template

Here is a template to help you craft an email to Congress staffers.

Dear [STAFFER'S NAME],

My name is [YOUR NAME], and I am the owner of [YOUR BUSINESS] in [YOUR HOMETOWN/STATE/DISTRICT]. I would like to schedule a meeting to discuss our work in [MEMBER'S STATE/DISTRICT]. We are interested in discussing [POLICIES] that directly support rural entrepreneurs and would appreciate meeting with the appropriate staff member.

[INSERT A ONE-SENTENCE DESCRIPTION OF BUSINESS AND AUDIENCE].  
[INSERT A ONE-SENTENCE DESCRIPTION OF YOUR BUSINESS'S IMPACT ON YOUR COMMUNITY]. [INSERT A ONE-SENTENCE DESCRIPTION OF POLICY IMPACTS ON YOUR BUSINESS]. (Save the details for the meeting)

Please let me know if there is a time when we can meet to discuss these issues. I look forward to hearing from you.

Thank you,  
[YOUR NAME]