

# **UPDATE: Council on Development Finance Hears Sallie Mae Proposal to Create 285 More Jobs in Delaware**

**Dover, Del.** (July 24, 2017) – The Delaware Division of Small Business, Development & Tourism and Sallie Mae are working to find new jobs in the state for people recently displaced from HSBC and Barclays in the Wilmington area.

Sallie Mae plans to create 285 new positions in northern Delaware bringing its total employment in New Castle County to more than 1,000. The company is negotiating to lease space at the Churchman's Corporate Center off of DE 273. HSBC announced in May it would be gradually moving employees out of its office at the same location.

The Council on Development Finance Monday heard a proposal for a grant to Sallie Mae from the Delaware Strategic Fund.

The grant would provide an incentive for each worker hired and a small additional amount for each hired from the group affected by changes at HSBC and Barclays.

The total potential outlay from the Strategic Fund is \$2.16 million.

Delaware would see an immediate return on investment from these hirings in the form of money not spent on unemployment insurance. A displaced worker that had made around Delaware's average annual wage would be eligible to receive a maximum of 26 weeks of unemployment insurance totaling more than \$8,000.

In 2014 Sallie Mae received a \$3.7 million grant from the Strategic Fund to create more than 300 new jobs. By the end of

2016, the company had actually exceeded its original benchmark. Disbursements of that grant were made incrementally as new hires were created. The same would be true for the grant proposal heard on Tuesday.

At the same meeting, CDF also heard a proposal for a \$433,500 grant from the Delaware Strategic Fund to General Refrigeration Company. The company has outgrown its current facility in Delmar and plans to expand into a new 49,000-square-foot building south of Laurel. The grant will provide up to \$195,000 for 30 new, full-time positions and \$238,500 for capital expenditures related to investing in and outfitting the new facility.

CDF is scheduled to vote on the proposals at its August meeting.

## **QUOTES**

“We’re glad Sallie Mae has chosen to significantly expand its operations here in Delaware,” said Gov. John Carney. “Delaware has an experienced, skilled financial sector workforce that is perfectly suited for this expansion. And we’re proud to support Sallie Mae, and the Delawareans who work there, as the company continues to put down roots here in our great state.”

“We remain focused on helping grow business in Delaware. And at the same time, we continue to work to encourage our existing business partners to be exceptional corporate citizens,” said Cerron Cade, Director of the Division of Small Business, Development & Tourism. “Keeping workers and the economic benefit they create right here in Delaware is a big win for Sallie Mae and the state.”

“Since our establishment of Sallie Mae as a standalone consumer banking business more than three years ago, we’ve focused on building out our customer service operation. That’s meant hundreds of new jobs here at our headquarters in

Delaware,” said Raymond J. Quinlan, chairman and CEO, Sallie Mae. “We are eager to draw again from this talented local workforce as we continue to grow the business.”

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