



FOR IMMEDIATE RELEASE
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IEDC Member Meets with Senate Committee on Small Business & Entrepreneurship to Discuss Economic Development and Disaster Recovery

WASHINGTON, DC (March 14, 2013) – Jim Rich, President of the Greater Beaumont Chamber of Commerce, and Executive Director of the South East Texas Economic Development Foundation, represented IEDC and its members today in a roundtable meeting on Capitol Hill to discuss the Small Business Disaster Reform Act of 2013 (S.415). The bill is designed to make U.S. Small Business Administration (SBA) disaster programs more responsive to the needs of small businesses impacted by disasters.

U.S. Senator Mary L. Landrieu, D-La., Chair of the U.S. Senate Committee on Small Business and Entrepreneurship and Senator Thad Cochran, R-Miss., introduced the bill on February 28, 2013. The bill is also cosponsored by Senator Kirsten Gillibrand, D-NY, and Senator Mark Pryor, D-Ark.

In a letter supporting the changes sent to Chairwoman Landrieu and Ranking Member Risch, IEDC Chairman Paul Krutko, President and CEO of Ann Arbor Spark, said, “Forty to sixty percent of small businesses that close as a result of a disaster do not reopen. This is an unacceptably high number. By enacting common sense legislation and freeing the flow of capital and expertise, we are taking concrete steps to give our small businesses and local economies the greatest chance to recover.”

S. 415 will help small businesses recover from disasters in two important ways. First, it eases the collateral requirements for loans under 200K (Note: 85% of loans approved by the U.S. Small Business Administration for Sandy relief fall into this category) by allowing small business owners to substitute business assets of equal or greater value instead of using their personal home, as the law currently requires. Second, Small Business Development Centers (SBDC’s) in unaffected parts of the country will be able to assist their counterparts in disaster impacted regions, a practice referred to as “surge capability”, which is currently prohibited by law. Both measures represent common sense practices and, according to the Congressional Budget Office, are not expected to trigger additional direct spending.

IEDC has a strong history of supporting disaster planning and recovery. The organization responded to communities in need following the 2005 hurricane season, the BP Gulf oil spill, and other disaster-related incidents by providing economic development recovery assistance. IEDC has continued work through technical assistance projects and partnerships with federal agencies and other non-governmental organizations. The economic development profession is invested in helping America prepare for and respond to disasters, much the same as the members on the Committee on Small Business and Entrepreneurship.

About IEDC:

The [International Economic Development Council](#) is the premier independent non-profit, non-partisan membership and research organization devoted exclusively to the field of economic development. IEDC assists economic development professionals in creating high-quality jobs, developing vibrant communities and improving the quality of life in their regions. Serving more than 4,100 members, IEDC represents the largest network of economic development professionals in the world. IEDC provides a diverse range of

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