

Responses to Roundtable Questions

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Senate Committee on Small Business and Entrepreneurship

“Investing in Small Business: Jumpstarting the Engines of our Economy”

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1)□□□□□ How are small businesses or your business doing?

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After four decades of targeted business development efforts, the New Orleans small, minority and woman owned business community is still primarily comprised of first generation cottage businesses with fewer than ten years of operating experience.□ This small business community has traditionally suffered from a lack of available bonding,

financing and continuity of work.

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When combined with typical small business challenges of limited equity and cash, the ability to take on large more profitable projects is diminished as well.

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Hurricane Katrina only exasperated the situation and caused a significant amount of business failures.□ It was thought that federal support and rebuilding dollars would initiate and sustain a new generation of more diversified, more capable, and more resilient businesses but that has not occurred. □ Again, the lack of available financing resources, this time combined with the deferral of critical infrastructure redevelopment projects and a lack of work continuity in the commercial arena, has not only diminished growth but serves to potentially devastate the surviving small business community.

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There is, however, a light at the end of the tunnel as the US Army Corps of Engineers and HUD have recently awarded millions of dollars of infrastructure rebuilding projects. We are hopeful that after the infrastructure work has started, industrial and commercial work will follow creating a need and fostering opportunity for small business growth.□

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2)□□□□□ What can the SBA do to create opportunities for small businesses?

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Aggressively enact and enforce the compliance of local, small and minority participation goals while creatively utilizing available contract vehicles like the Alaskan Native American Corporation program to foster and promote local small business inclusion.

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3)□□□□□ What can the Federal government and Congress do to spur job creation and grow the economy?

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The Federal government and Congress must take the brakes off of the infrastructure rebuilding projects in the New Orleans Metropolitan Area which after three years of delays still have not started.□ Contracts, again, have been awarded but the great majority of projects have still not been given the notice to proceed.

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Billions of dollars of HUD/Housing Authority of New Orleans and USACE and Stafford Act Rebuild projects fall into this category.

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The system of inclusion and small business support to build the infrastructure rebuilding projects in the New Orleans Metropolitan Area can then be replicated throughout the nation to jumpstart other regional economies.

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Small business development has for the past two decades been the country's greatest source of new job creation.

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4)□ Have TARP funds been useful to small businesses?□ If not, what can the second round do to truly help?

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No. □ There has been no impact. □ The second round must create provision that mandate benefits to small business to include financing and contract inclusion

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5) □ Are there provisions in the House and Senate Stimulus bills that help small businesses?

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After a quick review, most of the provisions in the House and Senate stimulus bill pay lip service to small businesses but give direct support to the large business community. □ Trickle down rarely trickles down.

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