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The general disdain Congress has for small business was best illustrated after the re-election of Congressman William Jefferson (D-LA). Under the cloud of a federal investigation, the Democratic Caucus decided to consider him guilty before an indictment, if there ever is one, or conviction. They stripped him from the prestigious Ways and Means Committee. After being re-elected and staying on Capitol Hill they decided to put him on the least effective committee, from their point of view.

Thus, he is now assigned to the Small Business Committee.

This speaks volumes on the low regard and disrespect shown for a committee that can affect the economic well being of this nation.

Small business accounts for over 70% of the job growth in this nation and yet the committee is "dissed".

This explains why the services offered by the SBA to the general public are fading away fast. Congress will not provide the SBA a budget for fiscal year 2007.

Right now, we are operating off a “Continuing Resolution”, which means the levels for FY2006 are being extended despite a surge in the demand for SBA services.

Disaster loans as a result of hurricanes Wilma, Katrina and Rita have shot the funding demands up astronomically.

In addition, contracting activity has grown exponentially as we put the Gulf back together again all the while managing wars all over the globe.

My office recently received an internal memo from within the SBA and it appears to be a desperate cry for help: “The first issue is the imminent end of disaster assistance funds. SBA’s administrative costs to run the Disaster Assistance program are projected to total \$306 million for FY2007.

Funds to administer Disaster assistance come from unobligated balances of FY2006 emergency supplemental appropriations.

There was no other additional Disaster Assistance funding in FY2006.

At the start of FY2007, only \$157 million of the appropriations for Disaster administrative costs remained.

SBA will obligate the last of these funds in February, 2007.

At that time,
unless Congress appropriates more funding for disaster assistance, SBA will have to shut down the program,
disrupting our support for the victims of Hurricanes Katrina, Wilma and Rita, and dozens of smaller disasters across the country.

Specifically, we could not offer new loans, change any loan approvals, or service any existing loans.”

This is troubling.

It sounds very serious and treacherous.

The SBA, thanks to your elected officials, is in a position similar to that of General Motors. It is heading south with a bullet!

In an age when personal “ear mark” budget perks for lobbyists, relatives and close friends equates to over \$90 million per year, the SBA is faced with a \$21 million shortfall.

This is almost like Nero playing his violin while Rome burns to the ground.

Someone on Capitol Hill needs to sound the alarm and fund the SBA.

The internal memo (I love to get these things) goes on: “To absorb \$21 million in our Office Operating Budgets would mean cutting them by 32%.

This could only be accomplished by canceling many existing contracts, which would preclude the Agency from meeting many of its statutory requirements and would require severe reductions in all program, oversight, and administrative functions.

Given the reduced state of SBA’s staff support, even small cuts will have significant impacts. SBA has four information technology technicians to support all 68 district offices, and other field locations.

If we were to restrict travel, for example, it would effectively end computer support for half the agency.”

It is starting to sound rather fatal.

Right now, there are so many vacancies at the DC headquarters of the SBA you can hear a mouse walking on cotton. The office workers cannot even order up coffee. The work load for servicing our businesses is grinding to a halt and the impact will be felt dearly in the streets of Detroit, Atlanta and everywhere else in this nation.

Some federal agencies are already looking for alternatives.

In Mississippi, FEMA and the GSA are utilizing state agencies and staff for contracting assistance as opposed to SBA facilities.

It is a national disgrace and Congress needs to wake up and fund the SBA.

