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United States Senate

COMMITTEE ON SMALL BUSINESS & ENTREPRENEURSHIP

WASHINGTON, DC 20510-6350

November 11, 2003

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VIA FACSIMILE & FIRST-CLASS MAIL

The Honorable Hector V. Barreto
Administrator
Small Business Administration
409 Third Street, S.W.
Washington, D.C. 20416

Re: Military Reservist Economic Injury Disaster Loans

Dear Administrator Barreto:

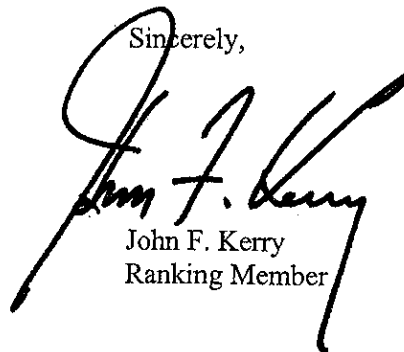
A recent statement from your office indicated that the Small Business Administration continues to offer military reservist economic injury disaster loans (MREIDLs) to small businesses that have a key employee called up to active duty. As the author of this legislation, I am pleased that the Agency is raising awareness of this important resource for small-business owners whose employees are fighting for our nation.

I am, however, concerned that there are still many small business owners with reservist employees who are unaware of the MREIDL program. Our reserve forces are carrying heavy burdens both at home and in the field. Many reservists have been called up far longer than expected -- putting a severe strain on them, their families, and their small-business employers. I want to be sure our reservists and the small businesses that employ them know we are doing our utmost to minimize their financial worries.

To ensure that our reservists and the affected small businesses are aware of this beneficial resource, it is important that the SBA actively promote the MREIDL program. Please respond to this letter with detailed information on the Agency's current and planned activities to promote this program to reservists and the small businesses that employ them as well as a description of how the SBA is coordinating the promotion of this program with each of the following groups: the Department of Defense, the Reserve Officers Association, and the National Committee for Employer Support of the Guard and Reserve. In addition, please provide details of what outreach on this program that you have done with other organizations.

I would also like to make you aware of the Small Business Military Reservist Tax Credit Act (S.1595) that I introduced in September. This legislation is designed to complement the MREIDL program by providing a tax credit to small businesses to make up the difference in pay for reservist employees called up and for hiring temporary replacements. I hope that you will join me in supporting this tax credit that will help small businesses and activated reservists alike.

Sincerely,



John F. Kerry
Ranking Member