



House Committee on Small Business
“Disaster Assistance: Is SBA Meeting the Recovery Needs of Disaster Victims?”
Statement of Chairman Sam Graves
November 30, 2011

Good afternoon. I call this hearing to order.

After a disaster strikes, victims want to know that they will have the financial resources to recover. Immediate disaster assistance is led by state governments, along with assistance from the Federal Emergency Management Agency (or FEMA). However, longer-term recovery is the responsibility of the Small Business Administration. Disaster assistance offered by the SBA helps homeowners, renters, businesses and non-profit organizations by offering long-term recovery loans.

When working properly, SBA programs help people rebuild their homes and businesses after they have been destroyed. SBA loans also help businesses that suffer economic losses resulting from a community struggling to get back on its feet. What victims do not need is endless paperwork, misinformation and delays.

It’s essential that SBA maintain the capacity to get money quickly into the hands of people who need the funds to rebuild. By properly planning and continually reassessing how it offers assistance, SBA can be better prepared to respond in times of emergency.

Our role is to oversee SBA’s implementation of statutory changes to the disaster loan program, and to ensure that it is meeting the needs of disaster victims. I find it troubling that in 2009, almost four years after Hurricane Katrina, GAO reported that they were not comfortable that SBA could meet the challenges of another disaster on the scale of Katrina. Today, GAO continues to report that laws passed in 2008 are not fully implemented. While I appreciate the progress that has been made, SBA needs to make disaster recovery a higher priority.

There are too many people relying on SBA for assistance to rebuild their homes and their businesses for us not to get this right.

With that, I look forward to receiving an update on SBA’s implementation of statutory changes, and how those changes have helped SBA respond to recent disasters. I’m also interested in hearing what else can be done to make sure SBA is prepared to respond to any disaster we might face in the future.

I now yield to Ranking Member Velazquez for her opening remarks.