



National Advisory Council (NAC)

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All of the SBA's programs and services are provided to the public on a nondiscriminatory basis.

U.S. SMALL BUSINESS ADMINISTRATION STANDS READY TO ASSIST VICTIMS OF HURRICANE KATRINA

Following the announcement of Presidential disaster declarations in Alabama, Louisiana and Mississippi as a result of Hurricane Katrina, SBA Administrator Hector V. Barreto issued the following statement.

“Our hearts go out to the victims of Hurricane Katrina. The U.S. Small Business Administration is ready to assist those hurt by this powerful storm. As a result of President Bush’s declaration of a federal disaster we will be swift in our efforts, along with our partners, to help people rebuild their lives. SBA officials will be in the affected cities and communities very soon to begin offering our assistance”.

SBA offers loans up to \$200,000 to repair disaster damaged primary residences. Homeowners and renters are eligible for loans up to \$40,000 to replace personal property such as furniture and clothing. Loans to businesses of all sizes and non-profit organizations are available up to \$1.5 million to repair damage to real estate, machinery, equipment and inventory. Economic Injury Disaster Loans (EIDLs) are also available to small businesses unable to pay bills or meet operating expenses.

Interest rates can be as low as 2.68 percent for homeowners and renters and 4 percent for businesses with terms up to 30 years. Loan amounts and terms are set by SBA and are based upon each applicant’s financial condition.

Residents and business owners in the affected areas can begin the disaster application process by registering online with FEMA at www.fema.gov, or by calling 1-800-621-FEMA (3362), or 1-800-462-7585 (TTY) for the hearing and speech impaired. The toll-free numbers will operate 24 hours daily until further notice. Details on the location of recovery centers and loan application deadlines will be provided as the information becomes available. For more information, visit SBA’s Web site at www.sba.gov/disaster.

**GAO Finds SBA Played
“A Key Role”
In Assisting Small Businesses
After 9/11 Attacks**

A Government Accountability Office (GAO) report issued last year found that the U.S. Small Business Administration (SBA) “played a key role in assisting small businesses affected by the September 11, 2001, terrorist attacks...” and acted appropriately in delivering the loans to small businesses.

The GAO report (GAO-04-885) also found that the SBA’s disaster loan program “followed its policies and procedures in making these disaster loans”.

Contrary to recent media reports, no qualified loan applicants for SBA disaster relief after the 9/11 attacks were denied loans.

The Economic Injury Disaster Loan program, SBA’s low-interest disaster recovery loan program operated by the SBA, provided 11,324 direct loans for a total of \$1.1 billion to small businesses directly impacted by 9/11.

A separate nationwide guaranty loan program related to the economic effects of the 9/11 attacks, which has been criticized in recent media reports, was mandated by Congress as a way to assist small businesses across the country that were adversely affected by the attacks and their aftermath. Loans under this program, known as Supplemental Terrorist Activity Relief (STAR), were made at market interest rates by participating lenders.

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**WOMEN TAKE TOP HONORS DURING 23RD ANNUAL
MINORITY ENTERPRISE DEVELOPMENT WEEK**

Women-Owned Business and Navy Official Honored by the U.S. Small Business Administration for Their Accomplishments

Three women-owned, minority-owned businesses and a Department of Navy official swept all top award categories and were honored by the U.S. Small Business Administration (SBA) for their superior business achievements and outstanding commitment to federal procurement during the 23rd National Minority Enterprise Development (MED) Week celebration in Washington, D.C. September 14, 2005.

“These four phenomenal women are prime examples of why the number of women and minority owned businesses is growing faster than any other sector in the nation”, SBA Administrator Hector V. Barreto said. “They are employers, they create job growth and they are professionals and visionaries who contribute significantly to our nation’s economy. Today it is my pleasure to recognize these outstanding women for their entrepreneurial achievements and tremendous contributions to the nation’s economy.”

- The winner of the National *8(a) Minority Small Business of the Year Award* is Lori Nevarez, president of Innovar Environmental of Littleton, CO.
- Dr. Maria J. Hankerson, president of Systems Assessment & Research, Inc. of Lanham, MD, and Claudia F. Fabela, president of TDF Corporation of Rock Island, IL, are the recipients of the *8(a) Graduate of the Year Award*.
- Ann Howell, deputy small and disadvantaged business specialist for the Space and Naval Warfare Systems Center in Charleston, SC, is the winner of the *Administrator’s Leadership Award*. The *Administrator’s Leadership Award* recognizes the recipient for her tireless efforts and unwavering commitment on behalf of the nation’s minority small business community.
- Three of the top four recipients were participants in the SBA’s 8(a) Program – a business development program that provides management and technical assistance, networking and federal contracting opportunities to socially and economically disadvantaged businesses.

The awards were part of the MED Week Conference in Washington, D.C. The SBA’s Office Government Contracting and Business Development took part in the event with the Department of Commerce’s Minority Business Development Agency.



SBA AND JA WORLDWIDE LAUNCH JOINT TEEN WEB SITE

New Web Site Supports Strong Teen Interest in Business Ownership

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GAO Finds SBA Played “A Key Role” In Assisting Small Businesses After 9/11 Attacks

The STAR program was separate and distinct from the regular, direct disaster loan program noted above, was funded separately, and had no effect on the number or the dollar amount of loans provided to eligible businesses through SBA’s direct disaster loan program.

Under the STAR program, 8,202 guaranteed loans were guaranteed, totaling \$3.7 billion. The program lasted for only one year, starting in January 2002.

“After 9/11, the SBA was doing all it could to help small businesses, not only in the areas directly affected by the terrorist attacks, but across the country as well,” said SBA Administrator Hector V. Barreto.

“With respect to the STAR program, we consider it to have been a success, despite recent sensational and distorted reports in the media. We are confident that the SBA implemented the program in the way that Congress intended, and did so in an open and above-board manner”.

A new cosponsored Web site targeting entrepreneurs who want to start, run and grow their own businesses was announced by the U.S. Small Business Administration and Junior Achievement (JA) Worldwide.

The new Web site, **Mind Your Own Business** at www.mindyourownbiz.org, is designed to support the growing interest in entrepreneurship among teens, and serves as a small business portal for youth entrepreneurs, providing necessary resources and information essential in realizing their dreams of business ownership.

The Web site launch was announced by Hector V. Barreto, Administrator at a Washington, D.C., press conference with JA Worldwide, where the National Student Entrepreneur of the Year was also announced.

The **Mind Your Own Business** Web site provides five easy-to-navigate steps on business ownership for entrepreneurial-minded teens, each with valuable information to help take teens from brainstorm to business.

“Legions of young entrepreneurs across the country are changing the face of America’s marketplace,” said Administrator Barreto. “We are pleased to partner with JA Worldwide to support and promote our nation’s youth as contributing members of the American economy.”

“JA Worldwide is proud to join with the U.S. Small Business Administration to promote the benefits of free enterprise and entrepreneurship to our nation’s youth,” said David S. Chernow, president and chief executive officer of JA Worldwide. “This new Web site gives teens valuable resources to help them start their own business and live the “American Dream.”

The SBA also unveiled its teen Web site **Teen Business Link**, at www.sba.gov/teens.

The Web site has been revamped to include streaming video, animation and interactive sound clips. **Teen Business Link** lays the foundation for the next generation of entrepreneurs and provides tools and resources on small business basics for the young entrepreneurs.

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