



U.S. Small Business Administration

News Release

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Small Business Administration and Local Lenders Pledge Support to Small Business Compliance with Rhode Island's Fire Code Revisions

**SBA Deputy Administrator Melanie Sabelhaus Meets with Governor Carcieri to
Discuss Capital Access and Technical Assistance for Affected Small Businesses**

Providence, RI – The Deputy Administrator of the U.S. Small Business Administration (SBA) today pledged the agency's full support in the effort to help small businesses comply with Rhode Island's new fire code law.

Melanie R. Sabelhaus met with Rhode Island Governor Donald Carcieri to outline the cooperation between SBA and its Rhode Island participating lenders to assist those small businesses that may be required to install sprinklers or make other renovations to their facilities to comply with the state's stricter regulations. To date, ten SBA lenders have expressed an interest in working with the Agency to provide needed access to capital for small businesses impacted by these new rules.

"The response by the SBA's Rhode Island District Office to those affected by the fire at The Station Nightclub has been incredible," said Sabelhaus. "The District Office staff has been a critical part of the recovery effort from the very beginning, and we will continue to offer whatever assistance we can, not only to those already impacted by the fire, but also to those who must adapt to the new state regulations," Sabelhaus added.

The legislation signed into law this week by Governor Carcieri ends the "grandfather clause" that shielded older buildings from updated fire codes that required sprinklers.

"With the comprehensive fire safety legislation on the books, we have to take the necessary measures to provide assistance to small businesses to meet the challenges of complying with new fire code requirements," said Governor Carcieri. "The SBA stepped right in and organized several meetings with financial institutions. I am very pleased that ten organizations will be providing assistance to local businesses to enable them to ease the costs involved in complying with fire code requirements."

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“I am very pleased that many of the Rhode Island SBA participating lenders have stepped forward to assist small businesses in their time of greatest need,” said Jeffrey H. Butland, SBA New England Regional Administrator. “The SBA will do all it can under its existing authority to make certain that the small businesses affected by the new law can continue to operate. Our concern is to provide financing and technical assistance to those who are impacted by these new changes” said Butland.

The lenders participating with SBA in this effort are Citizens Bank, Fleet Bank, Bank Rhode Island, Sovereign Bank, The Washington Trust Company, Home Loan & Investment Bank, Business Development Company of Rhode Island, First Federal Savings Bank, Pitney Bowes Small Business Lending Corporation, and UPS Capital Corporation.

“We have been working with our lending partners since the tragic fire in February to make certain that the necessary access to capital is available to the affected businesses,” said Mark S. Hayward, Director of the SBA Rhode Island District Office. “We are also working closely with the hospitality industry and the Rhode Island Economic Development Corporation to develop workshops to provide technical assistance to the small businesses that need it,” Hayward added.

The Small Business Administration and the Rhode Island Hospitality Association have tentatively planned two workshops, July 30th in Providence and July 31st in Newport.