

# HEARING

JULY 8, 2015



**SMALL  
BUSINESS  
COMMITTEE**

**Opening Statement of  
Chairman Steve Chabot  
Committee on Small Business  
Hearing: *The Calm Before the Storm: Oversight of SBA's Disaster Loan Program*  
July 8, 2015**

Good morning. Thank you all for being with us today. I call this hearing to order.

A natural disaster exposes us to the worst of nature. Yet, in some powerful way, it brings out the best in people. Communities band together. Neighbors help neighbors. And volunteers donate their time and energy -- all in an effort to rebuild.

In the last decade, America has faced some of its worst natural disasters, with Hurricane Katrina in 2005 and more recently, Hurricane Sandy in 2012. While these disasters struck certain areas of the country, every member on this Committee has experienced some disaster within their district, because these events do not limit themselves to one region or one state or one district. In my home state of Ohio, we've had our fair share of devastating tornados and severe floods. In the aftermath of any disaster, it is vital that victims are able to rebuild and return to their normal lives as soon as possible.

While most individuals are aware of the Federal Emergency Management Agency (FEMA) and its role in disaster assistance immediately following a disaster, most are unaware that longer-term recovery assistance is provided by the Small Business Administration (SBA). In this role, the SBA touches more than just small firms. The SBA helps homeowners, renters, businesses, and non-profits by providing various long-term recovery loans. Given this, it is imperative that the SBA's Disaster Loan programs operate as efficiently and effectively as possible.

On this Committee, we are tasked with evaluating the SBA's ability to properly respond to the needs of disaster victims and ensuring that the SBA is prepared to handle whatever may be next. It was clear that following Katrina the SBA's procedures needed change; but several years later, it appears that challenges still plagued the SBA in responding to Sandy. It is disheartening that the SBA is still not where we need them to be. While we certainly do not hope for another catastrophe, we know it will happen and this Committee wants to make sure the SBA is ready.

Today, we will discuss just how the SBA is doing in its mission to provide long-term disaster assistance. Our witnesses can hopefully shed light on the SBA's efforts. I want to thank our witnesses for taking time out of their busy schedules to be here. We look forward to your testimony.

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