

News from U.S. Rep. John Spratt (D-SC)
Assistant to the Democratic Leader
Ranking Member, Committee on the Budget
U.S. House of Representatives, Washington, D.C.
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Spratt, DeMint Push Drought Relief for Small Businesses

WASHINGTON – U.S. Reps. John Spratt (D-SC) and Jim DeMint (R-SC) today introduced legislation to permit the Small Business Administration (SBA) to distribute low-interest loans to small businesses hurt by last year's drought.

Under current law, only agriculture and agriculture-related businesses are eligible for federal disaster loan assistance as a result of drought conditions.

The drought inflicted significant economic damage on small businesses in South Carolina, leading to revenue losses, job layoffs, and bankruptcies. Low interest SBA loans will help businesses pay their bills until business returns to normal.

"The drought may be over, but its effects, particularly financial, are still being felt by farmers and small businesses across the state," Spratt said. "This bill is not all the relief they need, but it will help."

"South Carolina experienced one of the worst droughts on record in 2002," DeMint said. "Even with the wet weather of recent months, many small businesses struggle to survive against the persistent drought conditions of the past year. It is important that Congress provide them with relief, including access to working capital to pay bills and meet their payrolls."

A similar bill has been introduced by U.S. Sen. John Kerry (D-MA).

Spratt said, "I look forward to working in a bipartisan, bicameral way to ensure that South Carolina's small businesses have the resources necessary to survive any disasters, natural or economic. This bill will be an important part of that effort."

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