

Braley Applauds Small Business Administration Decision to Re-Examine Loan Applications

Rep. Bruce Braley (D-Iowa) today received a response from the US Small Business Administration (SBA) to his efforts in securing low-interest affordable loans for Iowa small businesses affected by this year's floods and tornadoes. The letter states that Iowa small businesses that previously only qualified for a higher interest rate loan will immediately have their applications reviewed to determine whether or not a financial hardship waiver should be considered, making them eligible for a lower-interest loan.

Washington, DC – Rep. Bruce Braley (D-Iowa) today received a response from the US Small Business Administration (SBA) to his efforts in securing low-interest affordable loans for Iowa small businesses affected by this year's floods and tornadoes. The letter states that Iowa small businesses that previously only qualified for a higher interest rate loan will immediately have their applications reviewed to determine whether or not a financial hardship waiver should be considered, making them eligible for a lower-interest loan.

"I'm pleased that the SBA is going to revisit applications for 67 small businesses in Iowa that might be eligible for lower interest loans," said Braley. "Adjusting the rates on these loans could save disaster-impacted Iowa small businesses tens of thousands of dollars in interest charges and help them recover more quickly."

On August 22, 2008, Braley and the entire Iowa delegation sent a letter to the SBA urging the agency to review all disaster loan applications at the higher rate to determine if the lower rate would be more appropriate.

Additionally, Braley, Chairman of the Small Business Subcommittee on Contracting and Technology, questioned SBA Deputy Administrator Jovita Carranza on the criteria used to determine interest rates on these loans at his hearing on September 24, 2008. The hearing was aimed at evaluating the SBA's disaster relief response to the tornadoes and flooding in Iowa.

Copies of today's letter from the SBA and the letter from the Iowa delegation in support of reviewing disaster loan applications can be read [here](#) and [here](#).