2009 Policy Priorities of Women Business Owners

Recommended Policies and Programs to Support Women Entrepreneurs in the Greater New Orleans Metropolitan Area

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NATIONAL WOMEN'S BUSINESS COUNCIL

ADVISORS TO THE PRESIDENT, CONGRESS AND THE SBA

ABOUT THE NATIONAL WOMEN'S BUSINESS COUNCIL

The NWBC is bi-partisan federal advisory council created to serve as an independent source of advice and policy recommendations to the President, Congress, and SBA on economic issues of importance to women business owners. The Council's mission is to promote bold initiatives, policies, and programs designed to support women's business enterprises at all stages of development in the public and private sector marketplaces — from start-up to success to significance.

Visit www.nwbc.gov for more information on the Council's town hall meetings, including reports on previous meetings and issue backgrounders from breakout discussions.

INTRODUCTION

When Hurricane Katrina (Katrina) hit the Gulf Coast of the United States on August 29, 2005, it caused devastation that was unparalleled by any other natural disaster. More than 1,800 people lost their lives. Millions more were displaced.

New Orleans, Louisiana, was especially hard hit because the storm surge caused many of the city's drainage levee canals to subsequently fail. As a result, by August 31, more than 80% of the metropolitan area was under water.

While all industry in New Orleans was severally disrupted in the aftermath of Katrina, small businesses suffered catastrophic losses. According to a report by the Institute of Southern Studies, more than 60% of small businesses were destroyed. Although 75% of those businesses have since reopened, the Louisiana Recovery Authority reports that approximately 18,700 enterprises were permanently closed.

In an effort to better understand how the long-lasting effects of Katrina and the receding national economy have affected local women business owners, the National Women's Business Council (NWBC), in partnership with the Urban League of Greater New Orleans Women's Business Resource Center and the Louisiana Small Business Development Center, hosted a town hall meeting in New Orleans in October 2009. The event was the 8th in a series of meetings held across the country to generate grassroots-level recommendations from women business owners for the consideration of the President, Congress, and the U.S. Small Business Administration (SBA).

The town hall meeting brought together NWBC members, leaders of national women's business organizations, local organizations that support women business owners, state and local policy leaders, and more than 200 women entrepreneurs from the New Orleans metropolitan area. During the event, participants discussed their views on national-level policy issues related to access to capital, affordable healthcare, business continuity and sustainability, education and workforce development, microenterprises, procurement, and taxes. Members of the NWBC were particularly interested in visiting New Orleans because they believed that the local business community had insights on disaster preparedness procedures that would be helpful for businesses across the country.

This report details the discussions, policy recommendations, opinions, and points of view generated during the New Orleans town hall meeting. The report does not necessarily reflect the official positions of NWBC.

ACCESS TO CAPITAL

"I had an SBA loan when Katrina hit. The bank put my loan in liquidation and took all of my insurance money. Since my loan was in liquidation, I wasn't eligible for an SBA disaster loan. I had no way to actually fix my house or restart my business. I was in a catch-22 and did not know what to do."

Participants in the access to capital session stated that they needed assistance in three main areas: 1) mitigating the damage Katrina wrought on their personal and business finances; 2) identifying non-traditional funding sources; and 3) bridging the gap between being awarded a government contract and getting paid for the contract.

First, many of the women business owners lost their jobs, homes, and cars in Katrina. Accordingly, they became delinquent on their bills and loan payments, which reduced their credit scores and made them ineligible for many of the disaster loan programs. Participants asked for loan forgiveness, protracted repayment plans for their existing loans, special credit score interpretations, and additional disaster loan programs that took into account their unique circumstances.

Second, the majority of the participants were engaged in service-related businesses that did not involve "hard collateral." They agreed that their circumstances and the nature of their businesses prevented them from obtaining loans from traditional banks. Hence, the attendees expressed a need to find alternative means to access funds to start-up and grow their enterprises. They concurred that networking with other women business owners was the best way to identify angel investors, non-profit lenders, and economic develop commissions that were receptive to their needs.

Third, the lag time between being awarded a government contract and receiving payment on their invoices presented a significant challenge for many of the attendees. They stressed the need for loans and other programs to help them remain afloat while awaiting payment.

Attendees recommended the following policy initiatives to remove the aforementioned impediments and address the challenges identified above.

Provide loan forgiveness for women-owned businesses that were devastated by Katrina

The women stated that it was patently unfair to expect that they would be able to rebuild their firms to their pre-Katrina status, and scrape up the money to pay back business loans for an enterprise that was literally struggling to keep the doors open.

Women business owners urged the federal government to cancel or forgive all or part of their SBA loans in recognition that their businesses were deleteriously impacted for reasons beyond their control (i.e. a catastrophic hurricane and subsequent flooding).

Provide protracted repayment plans for women-owned businesses affected by Katrina

Recognizing that it was unlikely for the federal government to forgive any part of their previously issued loans, participants affected by Katrina urged lawmakers to allow them additional time to payback existing SBA loans.

Implement special credit score interpretations that factor in payment delinquencies caused by natural disasters

Town hall attendees asked the federal government to implement special credit score interpretations that would place a greater emphasis on their payment histories before Katrina.

Create additional disaster loan programs

Many of the women business owners reported that they were unable to secure disaster loans following Katrina because they had become delinquent on other loans and bills. They stressed the need for loan programs that would not penalize disaster victims for financial difficulties precipitated by the disaster.

Facilitate networking opportunities with women business owners who have successfully acquired capital

Attendees found that networking with other women business owners, who were familiar with the local landscape, was the best way to identify viable sources of capital. During the session, the group was able to generate information about which lenders had favorable interest rates, ways to find angel investors, and which local lenders to avoid.

Create loan programs for businesses awaiting payment on a government contract

The government is required to pay processed invoices within 30 days of ***payment approval***, not within 30 days of the ***invoice issue date***. Thus, the invoice may go through multiple channels before the final approval is secured and the payment process clock begins. As a result, small business owners rarely receive payment within 30 days of completing a project.

For many small businesses that operate with narrow profit margins, the complexity of the government's payment process is daunting. For those firms working with limited cash flow, the protracted date of payment can result in dire consequences. Participants at the town hall meeting recommended that the government establish loan programs to bridge the cash

flow gap by providing cash advances on anticipated government contract payments.

Create tax credits for angel investors

The group supported legislation, like the Angel Fund Investment Bill, that would create tax credits for "angel investors," individuals who provide capital for business start-up or growth. Angel investors are often the only source of funding for small businesses that do not meet the lending requirements of traditional banking institutions.

AFFORDABLE HEALTHCARE

> *"Over the last nine years, my company's medical premiums have increased 250% while the benefits we can offer have decreased. We used to have a $5 million cap for individual illness, now it's down to $1 million. Instead of being able to put money in marketing, business development, or technology, we have to put our money in healthcare premiums."*

The healthcare discussion was particularly passionate because many of the women business owners in attendance did not have health insurance or were facing the possibility of losing their coverage due to increasing costs. Accordingly, their primary concern was identifying and promoting healthcare reforms that would make individual and group plans more affordable. The group stated that many of the available options were too costly because: 1) small businesses could not combine to take advantage of the savings enjoyed by large companies; 2) younger, healthy employees often opted out of employee-sponsored plans; 3) older employees were forced to pay premiums that were significantly higher than their younger counterparts; and 4) there were few insurance companies to choose from in the gulf coast region.

According to a survey by The Henry J. Kaiser Family Foundation, three in five firms (60%) offered coverage to workers in 2005, down significantly from 69% in 2000 and 66% in 2003. The drop stems almost entirely from fewer small businesses offering health benefits, as nearly all businesses (98%) with 200 or more workers offer such benefits.[1]

The entrepreneurs also talked at length about who would set the standards of care in the new healthcare landscape. The group adamantly opposed any provision that allowed a government entity or insurance provider to dictate the treatment process that a clinician should follow for a certain type of patient, illness, or clinical circumstance. They wanted physicians and patients to be empowered to make important medical decisions. The group was also wary of plans that did not give consumers the flexibility to seek treatments outside of the standard of care.

Lastly, the women business owners voiced frustration over the lack of transparency in healthcare pricing. They agreed that it was impossible for consumers to make cost-effective decisions if they did not first understand the true cost of healthcare products and services.

The Agency for Healthcare Research and Quality reports that an employee in a firm with fewer than 10 employees pays 18% more for health insurance than an employee in a firm with 200 or more employees.[2]

The affordable healthcare discussions generated the following policy recommendations.

Support healthcare legislation that:

1. **Creates federally-regulated association health plans**. Participants supported the creation of Association Health Plans, which allow small businesses to come together through associations to purchase insurance coverage as a group.

2. **Requires everyone to participate in employer-offered insurance plans**. Attendees believed that true cost containment for small businesses could only be achieved if every employee was required to participate in employer-offered plans.

3. **Caps premiums for older participants so that they pay no more than three times what younger participants pay**. Meeting participants suggested that the generational ratio employed by insurance companies should be capped at 3:1 (i.e., the premiums charged the oldest adults could be no more than 3 times those charged younger adults).

4. **Increases health insurance competition in Louisiana**. The women business owners supported laws that would increase competition by repealing blanket antitrust exemptions, giving antitrust enforcers the authority to investigate evidence of collusion within the health insurance industry, and allowing insurers to sell policies to residents across state lines.

Empower consumers and their doctors to make decisions about the best course of treatment

The women business owners were adamant that decisions about standards of care should not be left to a government entity or insurance providers, but remain with individual consumers and their physicians.

Create a national campaign to educate consumers about the true cost of healthcare products and services

Attendees stressed the need for a national campaign to educate the general public about the true cost of healthcare products and services. They believed that such a measure was the best way to empower consumers to make cost–conscious decisions about care.

Participants in the affordable healthcare discussion also proffered two suggestions they believed would make insurance more affordable for small businesses:

Bundle related healthcare services in packages to make them more affordable

Many companies bundle services to increase cost savings. For example, travel agencies offer significant discounts to travelers who purchase rental car, airfare, and hotel vacation packages. The group suggested that insurance companies should follow a similar model by bundling medical tests and procedures at a discounted rate. Under the model, a woman's package might include annual obstetrics/gynecological examinations, mammograms, and like services at a discounted rate.

Create a two-tier system where government-run insurance programs and private insurance providers offer distinctly different services

Attendees discussed the possibility of creating a two-tiered system where wellness and preventative programs would be offered by a government-run health insurance program, while private insurers would provide plans to treat illnesses.

BUSINESS CONTINUITY AND SUSTAINABILITY

> *"I'm in the business of selling gift baskets. We were back in operation 6 weeks after Katrina but the phone wasn't ringing, nothing was going on. I'd sit in the shop and read the Times Picayune. The paper had a lot of ads from doctors and others businesses that had relocated their offices. I started writing notes to each business congratulating them on reopening and asking them to think about my business if they needed anything. A few months later, a law firm that was returning to the city called and placed a large order because they had gotten my note."*

Participants in the business continuity and sustainability workshop fell into two distinct groups; those who started new businesses after Katrina and those whose businesses survived post Katrina.

The Institute for Business and Home Safety website states that at least 1/4 of all businesses that close because of a disaster never reopen. Small businesses are especially vulnerable, because few of them have the resources or knowledge to assess disaster risks and develop comprehensive mitigation and recovery plans.[3]

The new business owners were able to identify the natural, man-made, political, and technological events that threatened their business operations. However, they did not have the tools or time to develop comprehensive recovery plans to mitigate those threats. The group also needed help to determine the appropriate amount of coverage when purchasing business interruption insurance.

Conversely, the majority of firms that survived Katrina did so in large part because they had previously established some type of disaster recovery plan. They, however, needed assistance implementing certain aspects of those plans. The seasoned owners wanted tools and services that would allow them to protect and access copies of their insurance policies, tax returns, mortgage loans, and other documentation required by the Federal Emergency Management Agency (FEMA) and SBA to secure disaster loans and other services. They also requested assistance from the federal government to secure alternative office space following a natural disaster.

Women business owners in the business continuity and sustainability session put forth the following policy recommendations.

Develop a resource guide of the best business continuity planning resources and services and business interruption insurance providers

The women business owners expressed the need for a comprehensive guide that compiles a list of resources and services offered by trusted providers like The Institute of Business and Home Safety, The Association of Contingency Planners, SBA, The American Red Cross, FEMA, and reputable business interruption insurers.

Create a government-sponsored universal database where business owners can upload and access pertinent business records

The entrepreneurs stated that many of their important documents were destroyed during Katrina. Hence, they encountered difficulties filing insurance claims and applying for SBA and other disaster loans. The group requested that the government create a secure, permanent national database where small businesses could upload copies of their important papers for easy retrieval in case of an emergency.

Provide rental assistance funds, "vouchers," and coordination assistance to help small business owners secure office locations after a disaster

Many of the attendees were able to get government assistance to secure housing following Katrina. Yet, none received funds to find alternative office space to resume their business operations. Thus, participants asked for federal "vouchers" to help them secure office space following a natural disaster. They also wanted the government to coordinate office sharing arrangements whereby individual companies could schedule time to use offices and equipment.

EDUCATION AND WORKFORCE DEVELOPMENT

"I DO A LOT OF LECTURING ON ENTREPRENEURSHIP AT LOCAL COLLEGES. AFTER ONE LECTURE, I WAS TALKING TO A YOUNG WOMAN WHO HAD JUST GRADUATED WITH A DEGREE IN ACCOUNTING AND WANTED TO WORK FOR SMALL BUSINESSES. I MENTIONED SOMETHING ABOUT QUICKBOOKS AND SHE RESPONDED THAT SHE HAD NOT STUDIED THE SOFTWARE. NINETY PERCENT OF SMALL BUSINESSES USE QUICKBOOKS. SO IT JUST GOES TO SHOW THAT THE EDUCATIONAL SYSTEM IS NOT FOCUSED ON HOW A SMALL BUSINESS FUNCTIONS."

Participants in the education and workforce development session agreed that it was exceedingly difficult to find skilled, healthy workers in the post-Katrina environment. The women business owners stated that many of the skilled laborers who evacuated before Katrina never returned, leaving behind a workforce that was woefully unprepared to meet their needs. Available applicants had not been trained on the software applications most utilized by small business owners, and did not have the "soft skills" to effectively interact with the public. Accordingly, the group desperately needed to provide on-the-job training programs and/or apprenticeships to address worker deficiencies. They, however, did not have the time or resources to do so.

The Greater New Orleans Community Data Center reports that the population of New Orleans fell from 455,188 before Katrina, to 208,548 after the storm. In 2009, only 80% of the population had returned to the city.[4]

Attendees also observed that the scarcity of mental health services and skyrocketing housing costs in the region negatively affected their efforts to find good employees. They explained that many workers were unable to perform satisfactorily on the job because they suffered from untreated depression, anxiety, and post-traumatic stress disorder (PTSD) precipitated by the storm. The high cost of housing had also forced many families to relocate to other parishes and states.

The participants suggested the following initiatives to help them address their workforce concerns.

Create tax incentives and/or a workforce compensation policy for small businesses that provide employee training and utilize apprenticeship programs

The women business owners stated that much of the available workforce was ill prepared to meet their needs. Therefore, they advocated for tax incentives to help them fund on-the-job training programs for their employees. They also urged the federal government to provide incentives that would allow retirees to re-enter the job market to train and mentor new employees without facing penalties such as losing their Social Security and Medicare benefits.

Rebuild the mental healthcare system in metropolitan New Orleans

Meeting attendees agreed that much of the local population suffered from mental illnesses caused by Katrina. They were emphatic that increasing the availability of mental health treatment was essential to building a competent workforce.

Explore strategies to increase the supply of affordable housing in greater New Orleans

Data shows that fair market rents in the greater New Orleans region have increased 45% in the last two years. The skyrocketing costs have made it impossible for many families to remain in the area. Accordingly, the women business owners asked for government-mandated price controls to regulate the amount of rent landlords can charge tenants, and additional federal efforts to make affordable housing available in the city.

MICROENTERPRISES

> *"I STARTED MY ACCOUNTING AND TAX SERVICES BUSINESS FIVE YEARS AGO. I WAS IN A JOB THAT I ABSOLUTELY LOVED, BUT IT REQUIRED A LOT OF NIGHTS AND WEEKENDS. I HAD CHILDREN SO I WAS LOOKING FOR THE FLEXIBILITY TO HAVE MY OWN HOURS, WORK AT MY OWN PACE, AND BE MY OWN BOSS."*

Participants in the microenterprises session represented organizations and businesses that had gross revenues less than $500,000 and/or fewer than five employees. While they shared many of the concerns articulated by other small business owners, they also identified several challenges that were unique to their enterprises. Their issues included:

- Keeping up with rapidly changing technology;
- Finding inexpensive ways to market their businesses;
- Balancing family obligations;
- Overcoming negative perceptions about the capabilities of women–owned firms;
- Finding microloans under $50,000; and
- Building credit histories.

The group prioritized initiatives that would:

- Provide for publicly available technical assistance to help their businesses grow;
- Provide small business incubators that offer office space, entrepreneurial training, and management assistance to emerging businesses;
- Create SBA set asides for microenterprises;
- Curb the federal government's practice of contract bundling;
- Provide networking opportunities with other owners of small and microenterprise businesses;
- Increase the availability of microloans under $50,000; and
- Create credit-building accounts and programs.

PROCUREMENT

"WHAT I'VE EXPERIENCED IS THAT I WAS A SUBCONTRACTOR ON A WINNING BID. BUT FOR POLITICAL REASONS, I WAS BOOTED OUT BEFORE THE CONTRACT COMMENCED. THE 'PRIME" WON THE CONTRACT BASED ON MY QUALIFICATIONS. IT'S NOT RIGHT THAT ONCE THEY WON THE JOB I WAS OUT THE DOOR."

Women business owners who attended the procurement break-out session identified three obstacles that impeded their efforts to secure federal contracts. First, the participants stated that many of the current SBA policies aimed at generating opportunities for women-owned businesses were ineffective. They stressed the need for a formal women-owned business certification program, enforcement of the 5% government-wide procurement goal, and implementation of a system designed to hold prime contractors accountable for fulfilling their obligation to utilize women-owned businesses (and other small business sub-contractors) included as preconditions of winning contract awards.

Second, participants complained that the procurement process was so complex, time consuming, and inconsistent that the cost of participating often outweighed the potential benefit of receiving a federal contract. The process was further complicated by the government's contract bundling policy and recent court rulings that elevated the Historically Underutilized Business Zone Program (HUBZones) above other SBA administered contracting programs.

According to a report by the National Association of Women's Business Owners, although women entrepreneurs account for 33% of all entrepreneurs in the U.S., the overall share of dollars the federal government spent on women-owned small businesses was only 3.4%, up from 2.89% in FY 2003. If women business owners had received 5% (rather than 3.4%) of the $340 billion spent by the federal government with prime contractors, they would have received $17 billion in contracts in FY 2006—$5.4 billion more than they actually did receive.[5]

Third, attendees lamented that they did not have access to mentorship by large prime contractors who traditionally have greater resources, knowledge, and experience in successfully securing federal contracts.

The town hall attendees believed that the following reforms were necessary to level the federal procurement playing field.

Establish a formal SBA certification program for woman-owned businesses

Meeting attendees were resolute about the need for an SBA administered assistance program to help businesses owned and operated by women gain a foothold in federal government contracting.

Establish a formal monitoring system to ensure that the 5% procurement goal is met for woman-owned businesses

Since 1994, the federal government has instituted a procurement goal that women-owned businesses be awarded at least 5% of the total value of all prime contracts and subcontracts each fiscal year. Yet, to date, that goal has never been achieved. Meeting attendees stressed the need for a formal mechanism to ensure that all government entities, departments, and purchasing agents meet the 5% goal.

A March 2010 SBA press release stated that Congress has created a rule to increase federal contracting opportunities for women-owned small businesses. After nearly a decade without significant progress toward implementation, the Obama Administration released a proposed rule aimed at providing greater opportunities for women-owned small businesses to compete for federal contracts, while achieving the existing statutory goal that 5% of federal contracting dollars go to women-owned small businesses.[6]

Hold prime contractors accountable for using women-owned businesses

The attendees were concerned that all too often prime contractors included women-owned businesses as subcontractors in their bids to win contracts. However, once the contract was awarded, the prime would sever ties with the small businesses that helped them win the award without fear of penalty. Although the government has the right to terminate a contract with a non-compliant prime contractor, it rarely does so as a result of failure to comply with small business contracting stipulations. Hence, small business owners have few viable means of recourse.

Participation in the bidding process is expensive and timely for any small business. The prospect of being dropped from a contract once it has been awarded means that the small business owner gains a net negative in her pursuit to win business. Accordingly, attendees called for the implementation of a mechanism to ensure that prime contractors comply with small business contracting requirements or face significant penalties.

Curb the practice of contract bundling

Women business owners agreed that the federal government's policy of consolidating its purchases of unrelated goods and services into a single large contract significantly impeded their ability to secure contracts and resulted in the loss of billions of dollars of revenue for the small business community.

Create parity among all SBA programs

Recently, the U.S. Court of Federal Claims ruled that the language in the current federal laws elevated HUBZones above other SBA administered contracting programs. Meeting participants urged the introduction of legislation to change the verbiage at issue and restore parity among all of the small business designations.

Implement uniform procurement standards and procedures across all agencies

Participants described the process of preparing and presenting offers, bids, and quotes as complicated and confusing. They advocated for legislation to standardize the procurement process across all federal government agencies.

Establish a clearinghouse for information on government contracting and subcontracting opportunities for women-owned businesses[7]

Women business owners concurred that while there is an abundance of information about federal contracting opportunities, much of the information is so poorly organized that it is very difficult to identify set asides for small and women-owned business. They called for the creation of a central clearinghouse to sort and categorize available opportunities.

The Senate Small Business Committee, chaired by Senator Mary Landrieu from Louisiana, has recognized the importance of creating parity among the contracting programs, and has previously proposed legislation to address this concern. Unfortunately, efforts to push a parity bill through both chambers of congress have proven unsuccessful thus far.

Create mechanisms that connect small women-owned businesses with large companies that have been successful prime contractors[8]

Meeting participants requested government assistance to help them successfully partner with large prime contractors in the same industry.

TAXES

"Ten years ago, I was in a position where I had to do payroll taxes and I hadn't done that before. I was real nervous. But I went to the IRS web site, downloaded the Publication for Employers, and read the sections that applied. After that, I called the IRS three or four times a day. Just know that free help is out there."

Participants in the break-out session on taxes believed that the IRS was an adversary to small businesses for three main reasons. First, the participants believed that estate taxes, which tax an individual's right to transfer property at his or her death, placed an undue burden on their ability to perpetuate their enterprises. Second, the women business owners were outraged that they were often subject to an alternative minimum tax liability even though they did not have high incomes or claim special tax benefits. Third, the group believed that they needed the help of expensive accountants and lawyers to address their tax issues.

With regard to the third issue, participants were pleasantly surprised to learn of a number of free tax resources available on the IRS website and through the local IRS office. They encouraged the IRS to increase its marketing efforts to combat common misconceptions about the resources and services available through the agency.

The Policy and Taxation Group reports that under the current tax system, it may be cheaper to sell a family-owned business before death rather than pass the business to one's heirs. Growing businesses cannot remain competitive in a tax regime that imposes rates as high as 47% upon the death of the founder/owner.[9]

Attendees strongly urged the IRS to consider the following policy recommendations.

Repeal estate and alternative minimum taxes

Women business owners encouraged the repeal of both laws in favor of reforms that encouraged growth and made it easier for owners to pass on family businesses.

Promote IRS resources and services for small businesses

Participants strongly urged the IRS to aggressively market the services and resources available to small business owners, especially resources such as the Issue Management Resolution System and the Taxpayer Advocacy Service.

SUMMARY

The discussions and policy recommendations generated during the New Orleans town hall meeting show that local women business owners are in dire need of additional programs and resources to help them not only start-up and grow their enterprises, but to also mitigate the far-reaching effects of Katrina. Many of the programs requested by participants are already in existence. Hence, some of their concerns can be addressed by creating and expanding the marketing work of existing services. To accommodate this effort, funding sources will need to increase allocations to Women Business Centers, Small Business Development Centers, SCORE, and other federal, state, and local programs serving women entrepreneurs and business owners.

In addition to these marketing efforts, women business owners stressed the need for additional assistance to help them:

- Assess disaster risks and develop comprehensive mitigation and recovery plans;
- Finance on-the-job training and apprenticeship programs;
- Identify and promote healthcare reforms and legislation that would make individual and group insurance plans more affordable;
- Become more knowledgeable about and competitive in the federal procurement process; and
- Identify nontraditional sources of capital.

To address the unique challenges precipitated by Katrina, local women entrepreneurs called for a comprehensive investigation to evaluate what additional services are needed to fill the gaps in available programs. Participants were especially concerned that existing disaster relief services did not help them obtain alternative office space and often placed them in a financial catch-22.

For example, several women entrepreneurs stated that their business insurance proceeds were paid directly to their loan providers -- leaving them with no resources to reopen their businesses. The loss of business income caused them to get behind on other bills and financial obligations, which negatively impacted their credit scores. Their negative payment histories then disqualified them for available disaster loans.

All in all, women business owners who attended the town hall meeting enjoyed the opportunity to voice their concerns and network with like-minded entrepreneurs. With the proper government-funded resources and technical assistance programs, participants were confident that they would be able to prepare for future natural disasters and rebuild their lives, businesses, and communities.

ENDNOTES

[1] "Survey Finds Steady Decline in Businesses Offering Health Benefits to Workers Since 2000." The Henry J. Kaiser Family Foundation. September 2005. http://www.kff.org/insurance/chcm091405nr.cfm.

[2] John P. Sommers and Beth Levin Crimmel. "Co-pays, Deductibles, and Coinsurance Percentages for Employer-Sponsored Health Insurance in the Private Sector, by Firm Size Classification, 2006." Agency for Healthcare Research and Quality. July 2008. http://www.meps.ahrq.gov/mcpsweb/data_files/publications/st 209/stat209.pdf.

[3] Institute for Business & Home Safety. "Small Business Protection." http://www.ibhs.org/business_protection/.

[4] Allison Plyer. "Facts for Features Hurricane Katrina Impact." Greater New Orleans Community Data Center. April 15, 2010. http://www.gnocdc.org/Factsforfeatures/HurricaneKatrinaImpact/index.html.

[5] "Government Procurement for Women-Owned Businesses." National Association of Women Business Owners. http://nawbo.org//content_760.cfm.

[6] "SBA Proposes Women-Owned Small Business Rule to Expand Access to Federal Contracting Opportunities." U.S. Small Business Administration. March 2, 2010. http://www.sba.gov/idc/groups/public/documents/sba_homepage/news_release_10-5.pdf.

[7] SBA has a portal, http://web.sba.gov/subnet, that is dedicated to helping small business owners find sub-contracting opportunities. Further, businesses owners can search active federal opportunities by going to www.fbo.gov.

[8] SBA provides a list of prime contractors that are looking to do business with women business owners and small businesses, and has a mentor/mentee program that enables small businesses to partner with prime contractors. For more information, visit www.sba.gov.

[9] "Reasons to Repeal Estate Tax." Policy and Taxation Group. http://www.policyandtaxationgroup.com/html/repeal.html.

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