



Senator Feinstein Questions Potential Closure of  
West Coast SBA Disaster Response Office  
March 3, 2005

**Washington, DC** – U.S. Senator Dianne Feinstein (D-Calif.) today questioned the Administrator of the Small Business Administration about reports that the SBA's Disaster Assistance Office in Sacramento may be closed and several hundred employees transferred to Texas.

The Disaster Assistance Office provides loans to homeowners, renters and businesses to help them recover from disasters. Following is the text of a letter Senator Feinstein sent to SBA Administrator Hector Barreto:

March 2, 2005

The Honorable Hector V. Barreto  
Small Business Administration  
409 Third Street, SW  
Suite 7000  
Washington, DC 20416

Dear Administrator Barreto:

I have been told that the Small Business Administration is considering closing the Sacramento Disaster Assistance Office, and transferring hundreds of employees to a centralized office in Texas. Is this true or false?

If this is true, I believe this would be a serious mistake and runs the risk of eliminating adequate capacity to provide disaster assistance for the people in California and the Western United States who rely on this office for a rapid disaster response.

I am told the Sacramento Disaster Assistance Office is one of only four offices in the Country and is responsible for assisting disaster victims throughout the Western United States, Pacific Territories and when needed, other areas throughout the United States.

I understand the SBA is also considering using the DCMS System which is aimed to create a paperless system of making loans available to disaster victims.

It is my understanding that there are serious questions surrounding the system's effectiveness and that it only has been used in smaller disasters. This would be a serious problem in the event of a large scale disaster.

Please provide a response to me as to whether you are considering closing the Sacramento SBA Disaster Assistance Office and any evaluations you have done on the DCMS system.

Thank you for your consideration of this request and I look forward to your prompt attention to this serious matter.

Sincerely,

Dianne Feinstein  
U.S. Senator

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