

## **Winter Recreation Small Business Recovery Act**

Senator Tammy Baldwin (WI)

The Winter Recreation Small Business Recovery Act would amend current language under the Small Business Act (SBA) to ensure that during winters with below average snowfall or snow cover, small businesses are eligible for disaster relief. With this change, small businesses will be able to qualify for Injury Disaster Loans (EIDL) through the SBA. This existing loan program at SBA is designed to provide small businesses with the funds they need to operate while they recover from a natural or other disaster. Under current law, qualifying disasters include droughts and ice storms or blizzards, but does not account for winters without enough snow. Senator Baldwin is introducing this legislation after hearing from small businesses about how an unusually mild winter impacts their revenue.

Last winter, small businesses across Wisconsin suffered losses and were forced to close or cut staff due to the lack of visitors that are usually drawn to the area for seasonal recreation, including snowmobiling, cross-country skiing, snowshoeing, and ice fishing. These small businesses offer sports equipment for purchase and rental, and they are bait shops and fishing suppliers, restaurants, resorts and cabin rentals. These are small businesses that are dependent on visitors and tourism or are otherwise dependent on snow, including snow plowing services.

The legislation would provide a lifeline for small business owners interested in a loan intended to help cover the costs and expenses that they would not be facing during winters with more snowfall. Under the existing EIDL loan program, first payment on these SBA loans is deferred for 12 months and no interest accrues for the first year. Loans can have maturities up to 30 years.

The bill is supported by the Bayfield County Economic Development Corporation, Florence County Economic Development Corporation, Iron County Economic Development Corporation, Kewaunee County Economic Development Corporation, and Washburn Chamber of Commerce.