



**ENERGY Provisions in
Deficit Reduction Act important
to small business growth and survival.
KEY VOTE for Small Business**

November 9, 2005

Dear U.S. House Member:

In the face of the hard facts about energy – that is, it will be increasingly difficult for the U.S. to affordably meet its supply needs because of growing global demand, increased domestic needs, and disruption risks associated with natural disasters and political instability in oil-rich nations – it is extremely difficult for small business owners to comprehend the reticence of some political leaders to advance policy that will allow the responsible development of our nation’s vast natural resources.

Just as reckless government spending impacts the quality of life and financial security of future generations, inaction on common sense initiatives to increase our nation’s energy independence will yield a costly and chaotic toll. Just this past Monday, the International Energy Agency reported in its 2005 World Energy Outlook that global needs will surge 50 percent by 2030, with prices rising as well, if capacity is not significantly increased. Not surprisingly, two-thirds of increased demand will come from developing countries.

The energy provisions of the Budget Reconciliation Act not only begin the process of moving our nation to independence with respect to beefing up our supply capacity, it provides the federal government with a much-needed revenue stream to help shore up our nation’s federal finances. These important provisions provide the opportunity for savings and stability at the federal level, and on Main Street, where millions of small business owners operate -- some teetering on the edge -- under the cloud of unpredictable and increasing energy costs.

Unfortunately, but not surprisingly, left-leaning advocacy groups are spewing misinformation about ANWR development and offshore *options*. But much to the dismay of the SBE Council and our members, some Republicans in the House are echoing defeatist and, with all due respect, possibly naive assertions that the U.S. lacks the innovative know-how to develop in a clean and responsible way. If that is the case, why do we allow any development in our nation at all? Why not simply import 100 percent of our needed energy supplies? Of course, that may be the goal of radical environmentalists, but we do not believe it is the intention of some of our pro-small business Republican friends in the U.S. House.

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As SBE Council Raymond J. Keating points out in a recent piece, “The ANWR Debate”, which is posted on our group’s website, writes: “It is obvious that meeting our energy needs and maintaining a clean environment are not at odds. It’s not one or the other. Well, that is, it’s obvious apparently to all but some of the most extreme environmentalists.”

Increased domestic oil exploration and production will help to hold down prices, while increasing reliability. And, we do have the advancements in technologies that minimize environmental impact. After all, as Mr. Keating makes clear in his piece, “Why is it that federal elected officials from Alaska favor oil production from ANWR? Are we really supposed to believe that these representatives of the people of Alaska favor transforming ANWR from a wildlife refuge into an industrial wasteland?”

High energy costs have become the number one concern and priority of both small business owners and all consumers. Congress must demonstrate leadership on this critical issue. This is an issue that demands that each and every member of the U.S. House research the facts about ANWR and other provisions concerning energy before casting their vote or demanding that these provisions be removed before the vote on the Budget Deficit Act.

As the SBE Council communicated to each and every Member of the U.S. House earlier this week, both of the key issues addressed by the **Deficit Reduction Act** -- that is, sensible spending reforms and responsible energy initiatives – are critically important issues to our members. Therefore, the SBE Council will **KEY VOTE** this bill for our upcoming *Small Business Ratings of the 109th Congress* – in fact, the vote will be **double rated**.

A strategy that thoughtfully begins the process of stabilizing government spending levels, while at the same time dealing with the immediate, unanticipated demands of Hurricane Katrina is critically important to our nation’s small business owners. Sensible initiatives that address long overdue solutions for increasing U.S. energy supplies are of paramount importance to entrepreneurs.

We urge you to vote in favor of the Deficit Reduction Act.

Sincerely,

A handwritten signature in black ink, appearing to read "Karen Kerrigan". The signature is fluid and cursive, with the first name "Karen" written in a larger, more prominent script than the last name "Kerrigan".

Karen Kerrigan
President & CEO