

Good morning Chairwoman Landrieu, Ranking Member Snowe, Senator Wicker and the distinguished members of the Senate Committee on Small Business and Entrepreneurship. My name is Kimberly Nastasi, and I am the CEO of the Mississippi Gulf Coast Chamber of Commerce. I would like to thank you for the opportunity to testify today on the economic damage that the deepwater drilling moratorium is causing to the region that my chamber represents.

The Mississippi Gulf Coast Chamber of Commerce fosters leadership and the advancement of the community vision and interests of its members. Coast Chamber strives to improve the business climate through facilitating, advocating and providing information on behalf of the region. Mississippi Gulf Coast Chamber of Commerce is a membership organization comprised of businesses in Harrison County and throughout South Mississippi. Through a partnership among the Biloxi, Gulfport, Long Beach and Pass Christian Chambers of Commerce, Coast Chamber promotes community and economic development on the Mississippi Gulf Coast. Additional organizations of the Coast Chamber include Coast Young Professionals, Leadership Gulf Coast, Centurions and Mississippi Gulf Coast Chamber of Commerce Foundation.

I am here today to speak against the drilling moratorium which suspended all current and pending deepwater drilling operations in the Gulf of Mexico placing 33 oil rigs temporarily out of service.

In a Bloomberg national poll released last week, 85 percent of Republican respondents, 73 percent of independents and 65 percent of Democrats said they opposed the administration's drilling ban. It was reported that the wide-ranging moratorium is punishing an entire industry and region for BP's catastrophe.

http://www.nola.com/news/gulf-oil-spill/index.ssf/2010/07/post_23.html

People in Mississippi, especially along the Mississippi Gulf Coast, are resilient as proven by their recent experience and survival of Hurricane Katrina. Next month marks the five year anniversary of the worst natural disaster in American History. The Gulf Coast was devastated by Katrina and has attempted in the last five years to come back smarter and stronger. Then the

recession began in the midst of recovery. Isolated to an extent because of the widespread rebuilding, the Mississippi Gulf Coast saw the loss of numerous new projects and investors. 2011 was to be our year; a year that we expected to be back to pre Katrina levels in jobs, tourism connected industries and our way of life was again on the upswing; the data reported positive finds until April 21, 2010 when the Deepwater Horizon oil rig explosion and consequently the largest oil spill ever occurred. To this day we still do not have a defined end; therefore we truly do not know what to expect.

As Mayor Holloway of Biloxi said, We've been through everything -- hurricanes, tropical storms, tornadoes, recessions, depressions, everything -- and we've survived it all. The common denominator in those events were that each had a beginning, middle and an end. We can deal with that. What we have trouble dealing with, is something that will not end. It's a new oil spill everyday. Every single day. Day after day after day.

<http://www.biloxi.ms.us/mayor/speeches/speechdetail.asp?log=108>

The most tragic part of the explosion is the 11 people who lost their lives. Their families have been altered in ways no one else can relate to and we send them our sincere condolences.

In Louisiana and Mississippi, the oil industry and the seafood industry is a way of life and a part of our fiber, our very being. Our neighbors in Louisiana certainly have faired far worse and our hearts go out to our friends and neighbors.

Mississippi too has been significantly impacted. According to American Petroleum Institute "What happens in the oil and natural gas industry reverberates throughout the economy. That's because the industry is connected to a wide variety of industries that use oil and natural gas products either directly or indirectly. About 23% of businesses and 35% of the employees in Mississippi are heavily affected by policies imposed on the oil and natural gas industry. "

<http://www.api.org/aboutoilgas/upload/MISSISSIPPI.pdf>

According to Dun and Bradstreet's preliminary Business Impact Analysis of Drilling Moratorium on Mississippi, a total of 379 Mississippi Businesses and nearly 3000 employees will be impacted negatively.

Senator Landrieu has repeatedly spoke against the moratorium stating that its, "unnecessary, ill-conceived and a second economic disaster for the Gulf Coast. The BP Oil spill is the exception rather than the rule."

In mid-July Senator Wicker stated: "There is no doubt that the federal government needs to review thoroughly the Deepwater Horizon explosion so we can prevent a disaster like this from happening in the future, but this should not be done at the expense of the Gulf Coast economy. Now is the time to foster economic development in the Gulf rather than stifle it with more bureaucratic red tape. The oil spill threatens the jobs and livelihoods of Mississippians. The administration should not add to this threat with policies that send American jobs overseas.

http://wicker.senate.gov/public/index.cfm?FuseAction=NewsRoom.PressReleases&ContentRecord_id=c8a619b2-97e0-b1c3-42d5-aa2d6ca40ce5

The United States Chamber of Commerce, on July 21, urged Congress to reject hastily prepared legislation "that would keep American energy resources offline and thus drive energy producers overseas, along with their infrastructure and expertise, and hundreds of thousands of well paying US job." Almost 3000 of these jobs are filled by Mississippians.

The US Chamber of Commerce continues by adding that "many of the legislative proposals under consideration could have serious consequences, such as increased dependence on foreign oil at higher costs in the short- and the long- term, growing energy security risks, and a less competitive and potentially crippled Gulf Coast economy. The impact of legislation could be severe considering that the oil and natural gas industry employs more than nine million Americans, including 46,000 in the region.

The loss of jobs from the seafood industry, tourism, and fishing is extraordinary and real. Until the oil spill is stopped and the oil cleaned up, we have little control over the catastrophe

unfolding before us daily. You have the power to prevent additional lost jobs. The moratorium on drilling should be lifted before this industry disappears.

I would also like you to consider a tax incentive program for the Gulf Coast Region to attract potential investors so our economies can thrive with economic development. Escalating insurance prices due to Katrina and the negative perception of the Gulf Coast due to the oil spill, the Gulf Coast Region's small business community would indeed benefit to a package similar to the Go Zone post Katrina.

Once again I greatly appreciate the opportunity to testify today and I look forward to addressing any questions you have.

Thank you very much.