



U.S. SMALL BUSINESS ADMINISTRATION  
WASHINGTON, D.C. 20416

OFFICE OF THE ADMINISTRATOR

OCT 14 2005

The Honorable John F. Kerry  
Ranking Member  
Committee on Small Business and Entrepreneurship  
United States Senate  
Washington, D.C. 20510

Dear Senator Kerry:

Thank you for your letter of September 1, 2005 urging the U.S. Small Business Administration (SBA) to extend the October 28, 2005 deadline to apply for SBA disaster loan assistance for property losses businesses sustained as a result of Hurricane Katrina. An identical response has been sent to the Honorable Mary L. Landrieu, United States Senator from Louisiana.

Generally, the Federal Emergency Management Agency (FEMA) establishes a 60-day filing period in Presidential declarations for disaster victims to apply for assistance. However, there is significant historical precedence for extending the deadline with disasters of this magnitude, including but not limited to the Northridge Earthquake, the terrorist events of 9/11, and most recently the 2004 Florida hurricanes. In each of these disasters, FEMA granted multiple extensions of the original filing deadline.

In Presidential declarations, the SBA bases its filing period on the filing deadline that FEMA establishes. Should FEMA extend its filing deadline, SBA will also extend our deadline for an equal amount of time. The establishment of concurrent deadlines by each Agency provides for coordination of benefits for the disaster victims. By maintaining identical filing periods and deadlines, those homeowners and renters who do not qualify for an SBA disaster loan can be referred to FEMA for grant assistance. Should SBA autonomously establish a deadline beyond that of FEMA's, these victims would have no other recourse for disaster assistance. I can assure you that SBA will work closely in conjunction with FEMA to extend the original deadline for disaster assistance to those individuals and businesses in Alabama, Mississippi, and Louisiana affected by Hurricane Katrina.

Please know that SBA is working hard to assist businesses, homeowners, and renters who have suffered tremendous losses in this devastating hurricane. Your support of SBA and its programs is appreciated.

Sincerely,

Hector V. Barreto  
Administrator