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April 30, 2010

VIA FACSIMILE & FIRST-CLASS MAIL

The Honorable Karen G. Mills
Administrator
U.S. Small Business Administration
409 Third Street, S.W.
Washington, D.C. 20416

Re: Disaster Loans and Financial Relief for Small Businesses Impacted by the April 20th Deepwater Horizon Oil Spill

Dear Administrator Mills:

I write to urge the Small Business Administration (SBA) to make available as soon as possible SBA disaster loans and all other SBA assistance to small businesses in Louisiana impacted by the oil spill. This request is strongly supported by the Governor of Louisiana and other state leaders. In anticipation of a declaration, I ask that the SBA organize a lending briefing on the coast of Louisiana for the fishermen and other impacted businesses and to coordinate with other federal agencies, including the Department of Commerce (Commerce) and the U.S. Department of Agriculture (USDA), to make the recovery process as easy as possible.

As you know, a significant portion of my state's businesses rely on the Gulf for their livelihoods, from shrimpers and oystermen to restaurants, processing plants, and shipping companies. With an estimated 5,000 barrels of oil a day spewing from the blown-out well underneath the Deepwater Horizon rig, it is urgent that SBA coordinate with the other agencies to assess the impact of the oil spill, issue the necessary declarations for businesses to access disaster loans, and make it as easy as possible for the harmed businesses to determine which agency will help them and how to apply.

Of particular concern is coordination between the SBA and USDA. In recent years, for example when Red Tide struck coastal communities in New England, businesses have fallen through the cracks because SBA and USDA have not had clear policies about whether a fishing or shellfish entity is a business or a farmer and therefore whether it is eligible for assistance through the SBA or the USDA. And when it was eligible for assistance through the USDA, the assistance was more limited. Following the 2005 and 2008 hurricanes, many Gulf Coast businesses also were deemed "too agricultural" for SBA and "not agricultural" enough for USDA, leaving them without sufficient disaster recovery assistance. I ask that you personally make sure that this process runs smoothly.

I also strongly support the State's request to temporarily defer loan repayments for Louisiana coastal businesses that are impacted by the oil spill and have existing disaster loans and am ready to help in any way to make that possible. To complement those deferrals, I ask for your support for legislation I have that would forgive a portion of the interest on outstanding disaster loans for businesses that are still struggling as Louisiana continues down the long road to recovery from the devastation of hurricanes Katrina, Rita, Ike and Gustav. More specifically, S. 2869, the Southeast Hurricanes Small Business Disaster Loan Relief Act, would create a program to waive up to \$15,000 of interest on 2005 and 2008 small business disaster loans. It would be available over a three-year period and have the effect of significantly lowering the monthly payments owed by small businesses so that they would have needed capital to keep operating and retain employees.

Thank you, in advance, for your prompt cooperation on these requests. I look forward to working with you to make federal emergency assistance available as soon as possible to the businesses in my state.

Sincerely,



Mary L. Landrieu