Mr. Chairman, I yield myself such time as I may

consume.

As we all know, the recovery process in the gulf area continues to be

ongoing. Victims are still digging out from debris, and many are unable

to even get back to their homes and businesses. Unfortunately, these

problems have been compounded by the failure of the SBA to provide

disaster assistance to these victims.

I offer this amendment today to ensure that the thousands of homes

and business owners in the gulf area are not unfairly denied the

opportunity to file for a disaster loan. This amendment will give the

victims of the hurricanes in the gulf the time they need to assess

their situation and make informed decisions about applying for disaster

loans.

Without this change, the SBA, by imposing an arbitrary deadline, will

create additional and unnecessary hardships on a group of people who

have already suffered enough.

The SBA's failures are clearly documented. In response to the

hurricanes in the gulf, the SBA issued 2.1 million applications to

businesses, homeowners and individuals seeking financial assistance. As

of just a few weeks ago, only 400,000 of these applications have been

submitted to the SBA for processing. The balance of the applications,

1.7 million, or 80 percent, remain outstanding.

The reasons for these low return rates are plentiful. SBA has failed

to supply the necessary assistance to fill out the massive application

forms. Potential applicants are being incorrectly told that they are

not eligible. On top of this, SBA has also failed to implement an

outreach plan in communities to make eligible applicants aware of this

program.

Rather than recognizing these problems, the SBA has set March 11 and

April 10 application deadlines for physical injury loans, which are the

main source of assistance for homes and businesses with physical

damage. If these deadlines are maintained, it would have the effect of

leaving many potential applicants without the ability to secure Federal

financial assistance.

This amendment will make sure that SBA stays in the gulf until the

job is done.

The failures of the SBA have already created unnecessary hardship and

frustration in the gulf region. SBA has declined an unprecedented 65

percent of loans. The agency has a backlog of over 60,000 loans. SBA

has a processing time of 80 days, nearly triple the normal time. All of

these issues have created confusion and consternation among residents.

By voting for this amendment, we will make sure the victims of this

disaster are not punished for the failures of our Federal Government.

We cannot turn our back on these victims.

I urge a ``yes'' vote on this amendment.

Mr. Chairman, I reserve the balance of my time.