



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

August 2, 2012

The Honorable Kay Bailey Hutchison
United States Senator
1919 Smith Street, Suite 800
Houston, Texas 77002

Dear Senator Hutchison:

Thank you for your recent inquiry on behalf of Ms. Betty P. Walker regarding a U.S. Small Business Administration (SBA) disaster loan made to her.

According to SBA loan records on July 27, 2001, SBA approved a disaster loan for \$24,400. Subsequently, the loan became delinquent. After several attempts to contact Ms. Walker to offer repayment arrangements, SBA charged-off this loan on November 17, 2008. A final notice was mailed to Ms. Walker on December 7, 2008, that explained possible offset of income due to default. As mandated by the Debt Collection Improvement Act of 1996, on February 13, 2009, SBA referred the loan to the U.S. Department of Treasury (Treasury) for further collection efforts. Treasury has assumed collection responsibilities and SBA no longer services this loan.

However, after reviewing Ms. Walkers' hardship request, SBA requested a reduced offset amount with Treasury and it was granted. Treasury has agreed to reduce the offset amount from 25 percent to 15 percent. If Ms. Walker has additional questions regarding this matter, she may contact Treasury at (888) 826-3127.

We appreciate your continued support of the SBA and the Texas small business community. If you and your staff have any questions, please contact the SBA Office of Congressional and Legislative Affairs at (202) 205-6700.

Sincerely,

John A. Miller
Director
Office of Financial Assistance