



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

August 22, 2012

The Honorable Mary L. Landrieu
United States Senator
Federal building, Room 326
707 Florida Street
Baton Rouge, Louisiana 70801

Dear Senator Landrieu:

Thank you for your recent inquiry on behalf of Ms. Debra Guidry regarding her U.S. Small Business Administration (SBA) disaster loan.

According to Agency loan records on January 9, 2006, SBA approved a disaster loan for \$12,000 to Ms. Guidry. This loan was approved with the following terms: an annual interest rate of 2.687 percent, a monthly payment of \$51, and a repayment period of 30 years. This loan is unsecured. As a result of non-payment, this loan was charged off by SBA in January 2010.

Based on Ms. Guidry's letter to you, she is asking that her salary not be garnished. When a loan is severely delinquent, SBA is required under the Debt Collection Improvement Act of 1996 to refer the loan to the U.S. Department of the Treasury (Treasury) for continued collection efforts. On June 6, 2012, a letter was sent to Ms. Guidry to acknowledge receipt of her request to appeal an administrative wage garnishment by Treasury. The letter included a financial disclosure form and directions for Ms. Guidry to fill out the form and submit it to the SBA's National Disaster Loan Resolution Center (NDLRC) with documentation to support her completed form by June 28, 2012.

Although SBA did not receive the requested documents, the SBA hearing officer has agreed to extend her deadline. During the pendency of Ms. Guidry's appeal, Treasury has agreed to suspend her garnishments. Once Ms. Guidry's documents are received, a written hearing will be conducted and a decision made on the garnishment. If Ms. Guidry has any further questions regarding the wage garnishment appeal, she may contact Ms. Jennifer Power, SBA Administrative Wage Garnishment Hearing Officer, at (714) 564-2856.

The Honorable Mary L. Landrieu
Page 2

We appreciate your support of the Louisiana 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 Program Operations

cc: Jennifer Power, SBA NDLC