

[Federal Register: August 4, 2008 (Volume 73, Number 150)]
[Notices]
[Page 45265]
From the Federal Register Online via GPO Access [wais.access.gpo.gov]
[DOCID:fr04au08-81]

=====

SMALL BUSINESS ADMINISTRATION

Data Collection Available for Public Comments and Recommendations

ACTION: Notice and request for comments.

SUMMARY: In accordance with the Paperwork Reduction Act of 1995, this notice announces the **Small Business Administration's** intentions to request approval on a new and/or currently approved information collection.

DATES: Submit comments on or before October 3, 2008.

ADDRESSES: Send all comments regarding whether these information collections are necessary for the proper performance of the function of the agency, whether the burden estimates are accurate, and if there are ways to minimize the estimated burden and enhance the quality of the collections, to Cynthia Pitts, Administrative Officer, Office of Disaster, **Small Business Administration**, 409 3rd Street, SW., 6th floor, Wash., DC 20416.

FOR FURTHER INFORMATION CONTACT: Cynthia Pitts, Administrative Officer, Office of Disaster, 202-205-7570 cynthia.pitts@sba.gov Curtis B. Rich, Management Analyst, 202-205-7030 curtis.rich@ba.gov.

SUPPLEMENTARY INFORMATION: The **Small Business Administration** is authorized to make loans to victims of declared disasters for the purpose of restoring their damaged property to, as near as possible, pre-disaster conditions. SBA's Office of Disaster Assistance provides customer service to individuals and businesses on the phone and via email through its Disaster Assistance Customer Service Center and in-person through its Field Operations Centers.

Title: ``Disaster **Business** Loan Application.``

Description of Respondents: Application for benefits (loan) used to determine eligibility and credit worthiness of **Small Business** or not-for-profit organizations who seek Federal Assistance in a declared disaster. Respondents are disaster victims seeking disaster assistance.

Form Numbers: 5 & 1368.

Annual Responses: 9,510.

Annual Burden: 22,208.

Title: ``Disaster **Business** Loan Application.``

Description of Respondents: Application for benefits (loan) used to determine eligibility and credit worthiness of **Small Business** or not-for-profit organizations who seek Federal Assistance in a declared disaster. Respondents are disaster victims seeking disaster assistance.

Form Number: 5C.

Annual Responses: 49,862.

Annual Burden: 74,793.


Jacqueline White,

business and personal financial resources have been fully utilized to offset the economic impact of the disaster.

- (1) Repayment Ability. Issuing a loan application does not guarantee that we will approve a loan. We examine FTR/income information to substantiate repayment ability and review credit reports to verify the manner in which obligations, including current or past Federal debts, are being or have been met.
- (2) Legislative Loan Limit. The amount of an EIDL, together with all business companion physical damage loans, must not be more than the \$1,500,000 limit.
- (3) Relocation. There is a statutory prohibition against using SBA disaster loan funds to voluntarily relocate outside the business area where the disaster occurred (see paragraph 37).
- (4) Insurance Coverage/Requirements. There is a statutory prohibition against providing assistance to applicants whose losses are covered by insurance or otherwise compensated. You must ask the inquirer if any business interruption insurance coverage was in force and if a settlement was received. If we approve a loan, we may require the borrower to purchase and maintain hazard and/or flood insurance depending on the amount of the loan. The provision for voluntary application of business interruption insurance proceeds to reduce outstanding indebtedness applies similarly to voluntary application of physical insurance proceeds.
- (5) Information Required. You must tell the inquirer to comply with the filing requirements in the application, including the SBA Form 1368.
- (6) Application Filing Deadline. You must enter the filing deadline on the application.

63. HOME LOAN APPLICATION FORMS

The following forms are contained in every home application package:

- a. SBA Form 5C, "Disaster Home Loan Application;"
- b. SBA Form 739, "Verification of Personal Property Damage;"
- c. IRS Form 8821, "Tax Information Authorization;"
- d. SBA Form 1621, "Estimated Average Burden Hours per Information Requirement;"
- e.  1 pamphlet. (Informational brochure); and

SMALL BUSINESS ACT

(b) Except as to agricultural enterprises as defined in section 18(b)(1) of this Act, the Administration also is empowered to the extent and in such amounts as provided in advance in appropriation Acts—

(1) (A) to make such loans (either directly or in cooperation with banks or other lending institutions through agreements to participate on an immediate or deferred (guaranteed) basis as the Administration may determine to be necessary or appropriate to repair, rehabilitate or replace property, real or personal, damaged or destroyed by or as a result of natural or other disasters; Provided, That such damage or destruction is not compensated for by insurance or otherwise; And provided further, That the Administration may increase the amount of the loan by up to an additional 20 per centum if it determines such increase to be necessary or appropriate in order to protect the damaged or destroyed property from possible future disasters by taking mitigating measures, including, but not limited to, construction of retaining walls and sea walls, grading and contouring land, relocating utilities and modifying structures;

(B) to refinance any mortgage or other lien against a totally destroyed or substantially damaged home or business concern: Provided, That no loan or guarantee shall be extended unless the Administration finds that (i) the applicant is not able to obtain credit elsewhere; (ii) such property is to be repaired, rehabilitated, or replaced; (iii) the amount refinanced shall not exceed the amount of physical loss sustained; and (iv) such amount shall be reduced to the extent such mortgage or lien is satisfied by insurance or otherwise; and

(C) during fiscal years 2000 through 2004, to establish a predisaster mitigation program to make such loans (either directly or in cooperation with banks or other lending institutions through agreements to participate on an immediate or deferred (guaranteed) basis), as the Administrator may determine to be necessary or appropriate, to enable small businesses to use mitigation techniques in support of a formal mitigation program established by the Federal Emergency Management Agency, except that no loan or guarantee may be extended to a small business under this subparagraph unless the Administration finds that the small business is otherwise unable to obtain credit for the purposes described in this subparagraph;

(2) to make such loans (either directly or in cooperation with banks or other lending institutions through agreements to participate on an immediate or deferred (guaranteed) basis as the Administration may determine to be necessary or appropriate to any small business concern or small agricultural cooperative located in an area affected by a disaster, if the Administration determines that the concern or the cooperative has suffered a substantial economic injury as a result of such disaster and if such disaster constitutes—

(A) a major disaster, as determined by the President under the Disaster Relief and Emergency Assistance Act; or

(B) a natural disaster, as determined by the Secretary of Agriculture pursuant to the Consolidated Farmers Home Administration Act of 1961 (7 U.S.C. 1961); or

SMALL BUSINESS ACT

(C) a disaster, as determined by the Administrator of the Small Business Administration; or

(D) if no disaster declaration has been issued pursuant to subparagraph (A), (B), or (C), the Governor of a State in which a disaster has occurred may certify to the Small Business Administration that small business concerns or small agricultural cooperatives (1) have suffered economic injury as a result of such disaster, and (2) are in need of financial assistance which is not available on reasonable terms in the disaster stricken area. Upon receipt of such certification, the Administration may then make such loans as would have been available under this paragraph if a disaster declaration had been issued.

Provided, That no loan or guarantee shall be extended pursuant to this paragraph (2) unless the Administration finds that the applicant is not able to obtain credit elsewhere.

(3) (A) In this paragraph—

(i) the term “essential employee” means an individual who is employed by a small business concern and whose managerial or technical expertise is critical to the successful day-to-day operations of that small business concern;

(ii) the term “period of military conflict” has the meaning given the term in subsection (n)(1); and

(iii) the term “substantial economic injury” means an economic harm to a business concern that results in the inability of the business concern—

(I) to meet its obligations as they mature;

(II) to pay its ordinary and necessary operating expenses; or

(III) to market, produce, or provide a product or service ordinarily marketed, produced, or provided by the business concern.

(B) The Administration may make such disaster loans (either directly or in cooperation with banks or other lending institutions through agreements to participate on an immediate or deferred basis) to assist a small business concern that has suffered or that is likely to suffer substantial economic injury as the result of an essential employee of such small business concern being ordered to active military duty during a period of military conflict.

(C) A small business concern described in subparagraph (B) shall be eligible to apply for assistance under this paragraph during the period beginning on the date on which the essential employee is ordered to active duty and ending on the date that is 90 days after the date on which such essential employee is discharged or released from active duty.

SMALL BUSINESS ACT

(D) Any loan or guarantee extended pursuant to this paragraph shall be made at the same interest rate as economic injury loans under paragraph (2).

(E) No loan may be made under this paragraph, either directly or in cooperation with banks or other lending institutions through agreements to participate on an immediate or deferred basis, if the total amount outstanding and committed to the borrower under this subsection would exceed \$1,500,000, unless such applicant constitutes a major source of employment in its surrounding area, as determined by the Administration, in which case the Administration, in its discretion, may waive the \$1,500,000 limitation.

(F) For purposes of assistance under this paragraph, no declaration of a disaster area shall be required.

[THE FOLLOWING PARAGRAPHS PRECEDING SUBSECTION 7(c)
APPLY TO THE ENTIRE SUBSECTION 7(b).]

No loan under this subsection, including renewals and extensions thereof, may be made for a period or periods exceeding thirty years: Provided, That the Administrator may consent to a suspension in the payment of principal and interest charges on, and to an extension in the maturity of, the Federal share of any loan under this subsection for a period not to exceed five years, if (A) the borrower under such loan is a homeowner or a small business concern, (B) the loan was made to enable (i) such homeowner to repair or replace his home, or (ii) such concern to repair or replace plant or equipment which was damaged or destroyed as the result of a disaster meeting the requirements of clause (A) or (B) of paragraph (2) of this subsection, and (C) the Administrator determines such action is necessary to avoid severe financial hardship: Provided further, That the provisions of paragraph (1) of subsection (c) of this section shall not be applicable to any such loan having a maturity in excess of twenty years. Notwithstanding the provisions of any other law, the interest rate on the Administration's share of any loan made under subsection (b), except as provided in subsection (c), shall not exceed the average annual interest rate on all interest-bearing obligations of the United States then forming a part of the public debt as computed at the end of the fiscal year next preceding the date of the loan and adjusted to the nearest one-eighth of 1 per centum plus one-quarter of 1 per centum: Provided, however, That the interest rate for loans made under paragraphs (1) and (2) hereof shall not exceed the rate of interest which is in effect at the time of the occurrence of the disaster. In agreements to participate in loans on a deferred basis under this subsection, such participation by the Administration shall not be in excess of 90 per centum of the balance of the loan outstanding at the time of disbursement. Notwithstanding any other provision of law, the interest rate on the Administration's share of any loan made pursuant to paragraph (1) of this subsection to repair or replace a primary residence and/or replace or repair damaged or destroyed personal property, less the amount of compensation by insurance or otherwise, with respect to a disaster occurring on or after July 1, 1976, and prior to October 1, 1978, shall be: 1 per centum on the amount of such loan not exceeding \$10,000, and 3 per centum on the amount of such loan over \$10,000 but not exceeding \$40,000. The interest rate on the Administration's share of the first \$250,000 of all other loans made pursuant to paragraph (1) of this subsection, with respect to a disaster occurring on or after July 1, 1976, and prior to October 1, 1978, shall be 3 per centum. All repayments of principal on the Administration's share of any loan made under the above provisions shall first be

SMALL BUSINESS ACT

applied to reduce the principal sum of such loan which bears interest at the lower rates provided in this paragraph. The principal amount of any loan made pursuant to paragraph (1) in connection with a disaster which occurs on or after April 1, 1977, but prior to January 1, 1978, may be increased by such amount, but not more than \$2,000, as the Administration determines to be reasonable in light of the amount and nature of loss, damage, or injury sustained in order to finance the installation of insulation in the property which was lost, damaged, or injured, if the uninsured, damaged portion of the property is 10 per centum or more of the market value of the property at the time of the disaster. Not later than June 1, 1978, the Administration shall prepare and transmit to the Select Committee on Small Business of the Senate, the Committee on Small Business of the House of Representatives, and the Committees of the Senate and House of Representatives having jurisdiction over measures relating to energy conservation, a report on its activities under this paragraph, including therein an evaluation of the effect of such activities on encouraging the installation of insulation in property which is repaired or replaced after a disaster which is subject to this paragraph, and its recommendations with respect to the continuation, modification, or termination of such activities.

In the administration of the disaster loan program under paragraphs (1), (2), and (4) of this subsection, in the case of property loss or damage or injury resulting from a major disaster as determined by the President or a disaster as determined by the Administrator which occurs on or after January 1, 1971, and prior to July 1, 1973, the Small Business Administration, to the extent such loss or damage or injury is not compensated for by insurance or otherwise—

(A) may make any loan for repair, rehabilitation, or replacement of property damaged or destroyed without regard to whether the required financial assistance is otherwise available from private sources;

(B) may, in the case of the total destruction or substantial property damage of a home or business concern, refinance any mortgage or other liens outstanding against the destroyed or damaged property if such property is to be repaired, rehabilitated, or replaced, except that (1) in the case of a business concern, the amount refinanced shall not exceed the amount of the physical loss sustained, and (2) in the case of a home, the amount of each monthly payment of principal and interest on the loan after refinancing under this clause shall be not less than the amount of each such payment made prior to such refinancing;

(C) may, in the case of a loan made under clause (A) or a mortgage or other lien refinanced under clause (B) in connection with the destruction of, or substantial damage to, property owned and used as a residence by an individual who by reason of retirement, disability, or other similar circumstances relies for support on survivor, disability, or retirement benefits under a pension, insurance, or other program, consent to the suspension of the payments of the principal of that loan, mortgage, or lien during the lifetime of that individual and his spouse for so long as the Administration determines that making such payments would constitute a substantial hardship;

(D) shall, notwithstanding the provisions of any other law and upon presentation by the applicant of proof of loss or damage or injury and a bona fide estimate of cost

SMALL BUSINESS ACT

of repair, rehabilitation, or replacement, cancel the principal of any loan made to cover a loss or damage or injury resulting from such disaster, except that—

(i) with respect to a loan made in connection with a disaster occurring on or after January 1, 1971, but prior to January 1, 1972, the total amount so canceled shall not exceed \$2,500, and the interest on the balance of the loan shall be at a rate of 3 per centum per annum; and

(ii) with respect to a loan made in connection with a disaster occurring on or after January 1, 1972, but prior to July 1, 1973, the total amount so canceled shall not exceed \$5,000, and the interest on the balance of the loan shall be at a rate of 1 per centum per annum.

With respect to any loan referred to in clause (D) which is outstanding on the date of enactment of this paragraph, the Administrator shall—

(i) make such change in the interest rate on the balance of such loan as is required under that clause effective as of such date of enactment; and

(ii) in applying the limitation set forth in that clause with respect to the total amount of such loan which may be canceled, consider as part of the amount so canceled any part of such loan which was previously canceled pursuant to section 231 of the Disaster Relief Act of 1970.

Whoever wrongfully misapplies the proceeds of a loan obtained under this subsection shall be civilly liable to the Administrator in an amount equal to one-and-one-half times the original principal amount of the loan.

(E) A State grant made on or prior to July 1, 1979, shall not be considered compensation for the purpose of applying the provisions of section 312(a) of the Disaster Relief and Emergency Assistance Act to a disaster loan under paragraph (1), (2), or (4) of this subsection.

(c) (1) The Administration may further extend the maturity of or renew any loan made pursuant to this section, or any loan transferred to the Administration pursuant to Reorganization Plan Numbered 2 of 1954, or Reorganization Plan Numbered 1 of 1957, for additional periods not to exceed ten years beyond the period stated therein, if such extension or renewal will aid in the orderly liquidation of such loan.

(2) During any period in which principal and interest charges are suspended on the Federal share of any loan, as provided in subsection (b), the Administrator shall, upon the request of any person, firm, or corporation having a participation in such loan, purchase such participation, or assume the obligation of the borrower, for the balance of such period, to make principal and interest payments on the non-Federal share of such loan: Provided, That no such payments shall be made by the Administrator in behalf of any borrower unless (i) the Administrator determines that such action is necessary in order to avoid a default, and (ii) the

SMALL BUSINESS ACT

borrower agrees to make payments to the Administration in an aggregate amount equal to the amount paid in its behalf by the Administrator, in such manner and at such times (during or after the term of the loan) as the Administrator shall determine having due regard to the purposes sought to be achieved by this paragraph.

(3) With respect to a disaster occurring on or after October 1, 1978, and prior to the effective date of this Act, on the Administration's share of loans made pursuant to paragraph (1) of subsection (b)—

(C) if the loan proceeds are to repair or replace property damaged or destroyed and if the applicant is a business concern which is able to obtain sufficient credit elsewhere, the interest rate shall not exceed the current average market yield on outstanding marketable obligations of the United States with remaining periods to maturity comparable to the average maturities of such loans and adjusted to the nearest one-eighth of 1 percent, and an additional amount as determined by the Administration, but not to exceed 1 percent: Provided, That three years after such loan is fully disbursed and every two years thereafter for the term of the loan, if the Administration determines that the borrower is able to obtain a loan from non-Federal sources at reasonable rates and terms for loans of similar purposes and periods of time, the borrower shall, upon request by the Administration, apply for and accept such a loan in sufficient amount to repay the Administration: Provided further, That no loan under subsection (b)(1) shall be made, either directly or in cooperation with banks or other lending institutions through agreements to participate on an immediate or deferred basis, if the total amount outstanding and committed to the borrower under such subsection would exceed \$500,000 for each disaster, unless an applicant constitutes a major source of employment in an area suffering a disaster, in which case the Administration, in its discretion, may waive the \$500,000 limitation.

(4) Notwithstanding the provisions of any other law, the interest rate on the Federal share of any loan made under subsection (b) shall be—

(A) in the case of a homeowner unable to secure credit elsewhere, the rate prescribed by the Administration but not more than one-half the rate determined by the Secretary of the Treasury taking into consideration the current average market yield on outstanding marketable obligations of the United States with remaining periods to maturity comparable to the average maturities of such loans plus an additional charge of not to exceed 1 per centum per annum as determined by the Administrator, and adjusted to the nearest one-eighth of 1 per centum but not to exceed 8 per centum per annum;

(B) in the case of a homeowner able to secure credit elsewhere, the rate prescribed by the Administration but not more than the rate determined by the Secretary of the Treasury taking into consideration the current average market yield on outstanding marketable obligations of the United States with remaining periods to maturity comparable to the average maturities of such loans plus an additional charge of not to exceed 1 per centum per annum as determined by the Administrator, and adjusted to the nearest one-eighth of 1 per centum;

(C) in the case of a business concern unable to obtain credit elsewhere, not to exceed 8 per centum per annum;

SMALL BUSINESS ACT

(D) in the case of a business concern able to obtain credit elsewhere, the rate prescribed by the Administration but not in excess of the rate prevailing in private market for similar loans and not more than the rate prescribed by the Administration as the maximum interest rate for deferred participation (guaranteed) loans under section 7(a) of this Act. Loans under this subparagraph shall be limited to a maximum term of three years.

(5) Notwithstanding the provisions of any other law, the interest rate on the Federal share of any loan made under subsection (b)(1) and (b)(2) on account of a disaster commencing on or after October 1, 1982, shall be—

(A) in the case of a homeowner unable to secure credit elsewhere, the rate prescribed by the Administration but not more than one-half the rate determined by the Secretary of the Treasury taking into consideration the current average market yield on outstanding marketable obligations of the United States with remaining periods to maturity comparable to the average maturities of such loan plus an additional charge of not to exceed 1 per centum per annum as determined by the Administrator, and adjusted to the nearest one-eighth of 1 per centum, but not to exceed 4 per centum per annum;

(B) in the case of a homeowner able to secure credit elsewhere, the rate prescribed by the Administration but not more than the rate determined by the Secretary of the Treasury taking into consideration the current average market yield on outstanding marketable obligations of the United States with remaining periods to maturity comparable to the average maturities of such loans plus an additional charge of not to exceed 1 per centum per annum as determined by the Administrator; and adjusted to the nearest one-eighth of 1 per centum, but not to exceed 8 per centum per annum;

(C) in the case of a business or other concern, including agricultural cooperatives, unable to obtain credit elsewhere, not to exceed 4 per centum per annum;

(D) in the case of a business concern able to obtain credit elsewhere, the rate prescribed by the Administration but not in excess of the lowest of (i) the rate prevailing in the private market for similar loans, (ii) the rate prescribed by the Administration as the maximum interest rate for deferred participation (guaranteed) loans under section 7(a) of this Act, or (iii) 8 per centum per annum. Loans under this subparagraph shall be limited to a maximum term of three years.

(6) Notwithstanding the provisions of any other law, such loans, subject to the reductions required by subparagraphs (A) and (B) of paragraph 7(b)(1), shall be in amounts equal to 100 per centum of loss. The interest rates for loans made under paragraphs 7(b)(1) and (2), as determined pursuant to paragraph (5), shall be the rate of interest which is in effect on the date of the disaster commenced: Provided, That no loan under paragraphs 7(b)(1) and (2) shall be made, either directly or in cooperation with banks or other lending institutions through agreements to participate on an immediate or deferred (guaranteed) basis, if the total amount outstanding and committed to the borrower under subsection 7(b) would exceed \$500,000 for each disaster unless an applicant constitutes a major source of employment in an area suffering a

In accordance with Standard Operating Procedure 00 41 2 Item Nos. 70:07, 70:08, 70:09, 70:10, 70:11, 70:13, 70:14 and 70:15, OGC NI-309-88-1, OGC NI 309-99-1, OGC NI-309-88-1. In accordance with National Archives and Records Administration General Records Schedule 14.11.

SYSTEM MANAGER(S) AND ADDRESS:

OGC and Field Office Systems Manager. See Appendix A.

SOURCE CATEGORIES:

Subject employee, Agency personnel, the public, the DOJ, bankruptcy notices, court records, title companies, and Loan Case Files.

SYSTEM EXEMPTED FROM CERTAIN PROVISIONS OF THE ACT:

Pursuant to 5 U.S.C. 552a(k) (2) and (k) (5), all investigatory material in the record compiled for law enforcement purposes or for the purpose of determining suitability, eligibility, or qualifications for Federal civilian employment, Federal contracts, or access to classified information is exempt from the notification, access, and contest requirements (under 5 U.S.C. § 552a(c) (3), (d), (e) (1), (e) (4) (G), (H), and (I), and (f) of the Agency regulations. This exemption is necessary in order for the Agency legal staff to properly perform its functions.

SBA 20

SYSTEM NAME:

DISASTER LOAN CASE FILE--SBA 20

SYSTEM LOCATION:

SBA Disaster Area Offices and the Department of Housing and Urban

Development (HUD). See Appendix A for SBA addresses; HUD addresses are published by HUD.

CATEGORIES OF INDIVIDUALS COVERED BY THE SYSTEM INCLUDES:

Applicants and recipients of disaster home loans.

CATEGORIES OF RECORDS IN THE SYSTEM INCLUDES:

Information relating to applicants and recipients of a disaster home loan from the time of application until the date of payment in full or charge-off is approved; or until the date of an official denial if declined. These records include:

Loan applications, supporting documents, personal history, financial statements, credit information, investigative reports, appraisers' reports, waivers, loan record transfers, correspondence, recommendations, authorizations, disbursement amount, term and rate, payment history, collateral, UCC filings and re-filings, collection and liquidation activities, financial statements, settlements and compromises, participating bank information, field visit reports, borrowers insurance information and loan accounting information.

AUTHORITY FOR MAINTENANCE OF THE SYSTEM:

15 U.S.C. § 634(b)(6), 44 U.S.C. § 3101.

ROUTINE USES OF RECORDS MAINTAINED IN THE SYSTEM, INCLUDING CATEGORIES OF USERS AND THE PURPOSES OF SUCH USES, THESE RECORDS MAY BE USED, DISCLOSED OR REFERRED:

- a. To the public on approved loans, information is limited to recipient name and address, term and rate of the loan, and

the apportioned amount of the loan for real or personal property loss.

- b. To provide information to potential investors who are interested in bidding on loans made available by the Agency in a sale of assets. Investors will be required to execute a confidentiality agreement prior to reviewing any record or information.
- c. To the public, under certain conditions, on losses incurred by the government due to non-payment of obligations by individuals. In these cases, the name and address of the obligator and amount incurred (amount written-off from Agency assets) will not be released to the public unless the borrower consents to disclosure or is required pursuant to the Freedom of Information Act (FOIA).
- d. To the Federal, State, local or foreign agency or professional organization which has responsibility for investigating, prosecuting or enforcing violations, statute rules, regulations or orders issued when the Agency locates a violation or potential violation of law whether arising by general or program statute, or by regulation, rule or order.
- e. To request information from a Federal, State or local agency or a private credit agency maintaining civil, criminal or other information relevant to determining an applicant's suitability for a loan; this may be requested individually or part of a computer match.
- f. To provide data to the General Accounting Office for periodic reviews of SBA.

- g. In response to a request from a State or Federal agency in connection with the issuance of a grant, loan or other benefit by that agency which is relevant to their decision on the matter; this may be requested individually or part of a computer match.
- h. To other Federal agencies to conduct computer matching programs to locate delinquent SBA borrowers who are receiving Federal salaries or benefit payments and programs to identify delinquent SBA borrowers receiving federal salaries or benefit payments. Disclosure will be made if the records indicate the loan is in default, at least 30 days past due or to update a previous disclosure. SBA will make the disclosures to obtain repayments of debts under the provisions of the Debt Collection Act of 1982 by voluntary repayment, or by administrative or salary offset procedures.
- i. To a consumer reporting agency.
- j. To provide the Internal Revenue Service (IRS) with access to an individual's records for an official audit to the extent the information is relevant to the IRS's function.
- k. To a court, magistrate, grand jury or administrative tribunal, opposing counsel during such proceedings or in settlement negotiations when presenting evidence.
- l. To a Congressional office from an individual's record, when the office is inquiring on the individual's behalf; the Member's access rights are no greater than the individual's.
- m. To Agency volunteers, interns, grantees, experts and contractors who have been engaged by the Agency to

assist in the performance of a service related to this system of records and who need access to the records in order to perform this activity. Recipients of these records shall be required to comply with the requirements of the Privacy Act of 1974, as amended, 5 U.S.C. § 552a.

- n. To the Department of Justice (DOJ) when any of the following is a party to litigation or has an interest in such litigation, and the use of such records by the DOJ is deemed by the agency to be relevant and necessary to the litigation, provided, however, that in each case, the agency determines the disclosure of the records to the DOJ is a use of the information contained in the records that is compatible with the purpose for which the records were collected:
- (1) The agency, or any component thereof;
 - (2) Any employee of the agency in his or her official capacity;
 - (3) Any employee of the agency in his or her individual capacity where the DOJ has agreed to represent the employee; or
 - (4) The United States Government, where the agency determines that litigation is likely to affect the agency or any of its components.
- o. In a proceeding before a court, or adjudicative body, or a dispute resolution body before which the agency is authorized to appear or before which any of the following is a party to litigation or has an interest in litigation, provided,

however, that the agency determines that the use of such records is relevant and necessary to the litigation, and that, in each case, the agency determines that disclosure of the records to a court or other adjudicative body is a use of the information contained in the records that is compatible with the purpose for which the records were collected:

- (1) The agency, or any component thereof;
 - (2) Any employee of the agency in his or her official capacity;
 - (3) Any employee of the agency in his or her individual capacity where the DOJ has agreed to represent the employee; or
 - (4) The United States Government, where the agency determines that litigation is likely to affect the agency or any of its components.
- p. To transmit data to U.S. Department of the Treasury to effect issuance of loan funds to borrowers.
- q. To the Federal Emergency Management Agency to coordinate the issuance of federal disaster assistance to disaster victims and monitor for duplication.
- r. To the public under the FOIA, 5 U.S.C. § 5552.

POLICIES AND PRACTICES FOR STORING, RETRIEVING, ACCESSING, RETAINING AND DISPOSING OF RECORDS:

STORAGE:

Paper and electronic files.

RETRIEVAL:

By applicant/recipient name, cross-referenced loan number or borrower's Social Security Number.

SAFEGUARDS:

Access and use limited to persons with official need to know to know; computers are protected by password and user identification codes.

RETENTION AND DISPOSAL:

In accordance with Standard Operating Procedure 00 41 2 Item Nos. 70:09 and 70:13.

SYSTEM MANAGER(S) AND ADDRESS:

Disaster Area Office Directors. See Appendix A.

Director, DCMS Operations Center, 1175 Herndon Parkway, Herndon, VA 20170.

NOTIFICATION PROCEDURES:

An individual may submit a record inquiry in person or in writing to the Systems Manager of PA Officer. See Appendix A.

ACCESS PROCEDURES:

Systems Manager or PA Officer will determine procedures.

CONTESTING PROCEDURES:

Notify the official listed above, state the reason(s) for contesting it and the proposed amendment sought.

SOURCE CATEGORIES:

Subject, individuals, Agency employees, financial institution, law enforcement agencies, and Federal Emergency Management Agency.