

WILLIAM L. OWENS  
23RD DISTRICT, NEW YORK

COMMITTEE ON AGRICULTURE  
CONSERVATION, ENERGY,  
AND FORESTRY

LIVESTOCK, DAIRY, AND POULTRY

COMMITTEE ON ARMED SERVICES  
TACTICAL AIR AND LAND FORCES  
READINESS

COMMITTEE ON SMALL BUSINESS



# Congress of the United States

House of Representatives

Washington, DC 20515

July 11, 2011

PLEASE RESPOND TO  
WASHINGTON OFFICE:

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WASHINGTON, DC 20515  
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ONEIDA, NY 13421  
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The Honorable Andrew M. Cuomo  
Governor of New York  
Albany, New York 12224

Dear Governor Cuomo:

Thank you for your office's continued cooperation and assistance in securing federal Public Assistance (PA) and Hazard Mitigation (HM) assistance for the counties in Upstate New York that are suffering from the recent devastating flood damage. Authorized by the Stafford Act, PA and HM will provide much needed assistance to public and nonprofit entities to repair infrastructure and reduce future losses to public and private property. I greatly appreciate the hard work and support of Andrew Feeney and his staff in preparing the FEMA requests and for participating in three conference calls set up by my office with FEMA and local county officials.

I recently spoke with FEMA's Deputy Associate Administrator for Response and Recovery, Elizabeth Zimmerman, regarding the agency's decision to deny New York State's request for Individual Assistance (IA) for counties affected by the flooding. As you know, IA offers various forms of assistance to families and individuals that can include housing assistance, disaster unemployment assistance, crisis counseling, and other vital assistance. Ms. Zimmerman indicated that in order for FEMA to overturn their decision, the state would have to provide additional data from the affected counties demonstrating further damage than was reported. I urge you to appeal FEMA's decision regarding IA and will do everything in my power to support that effort should you choose to do so.

I am also aware of your pending application for a Secretarial disaster declaration for 19 counties from the U.S. Department of Agriculture and have spoken with officials there within the last week to urge their approval as expeditiously as possible. A disaster designation from the Secretary of Agriculture would immediately trigger the availability of low-interest Farm Services Agency (FSA) emergency loan assistance to eligible agricultural producers in all primary and contiguous counties to help them recover from production and physical losses (7 C.F.R. §764.351-764.356). As you may know, this designation would also allow the Small Business Administration (SBA) to issue Economic Injury Disaster Loans (13 C.F.R. § 123.4). These low-interest loans would be made available to small businesses, small agricultural cooperatives, and most private nonprofit organizations in primary and contiguous counties to assist them in paying their operating expenses.

While the disaster declaration by the Secretary of Agriculture would be enormously helpful to small businesses and the agriculture community, it does not include assistance to individual

homeowners. If the state's appeal for IA is ultimately denied by FEMA and regardless of the decision made by the U.S. Department of Agriculture, I strongly urge you to apply for a separate, physical disaster declaration by the SBA. This designation would enable qualified homeowners and businesses to receive low-interest loans from the SBA's Disaster Loan Program. My understanding is that these loans are approved on a county by county basis using the following criteria: at least 25 homes or businesses, or combination of the two sustains losses of 40 percent or more of the estimated fair market replacement value or pre-disaster fair market value of the damaged property; at least three businesses sustain uninsured losses of 40 percent or more, the Governor submits a written request to SBA for a physical disaster declaration, which should be delivered to the SBA Disaster Area Office immediately after the appeals process with FEMA is complete (13 C.F.R § 123.3).

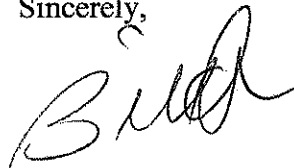
According to the "Types of Disaster Loans" section on the SBA's website, which can be found at <http://www.sba.gov/category/navigation-structure/loans-grants/small-business-loans/disaster-loans/types-disaster-loans>, there are three types of SBA assistance available under a physical disaster declaration:

- home disaster loans to homeowners and renters to repair or replace disaster-related damages to home or personal property,
- business physical disaster loans to business owners to repair or replace disaster-damaged property, including inventory, and supplies; and
- economic injury disaster loans, which provide capital to small businesses and to small agricultural cooperatives to assist them through the disaster recovery period.

It is vital that we explore every avenue of available federal assistance available to Upstate New York so that residents can rebuild their communities. If the state is unsuccessful in the appeals process for IA from FEMA, I urge you to immediately seek a physical disaster declaration from the SBA to enable homeowners and businesses alike to become eligible for assistance.

Thank you for your time and attention to this important matter. If there is any assistance that my office can provide, please do not hesitate to contact me.

Sincerely,



BILL OWENS  
Member of Congress

CC: Andrew Feeney, Director of Emergency Management