A part of its response to the September 11 terrorist attacks, SBA modified several aspects of its Disaster Loan Program and its processes. For example, SBA increased the maximum loan amounts available and decreased the amount of documentation required for certain loans. By the end of fiscal year 2002, approximately $1 billion in loans had been approved for victims of the attacks. On average, SBA processed business loans to September 11 victims in an average 13 days compared with 16 days for business loans to other disaster victims in fiscal year 2001.

Like other federal programs, SBA has developed a multiyear strategic goal for the Disaster Loan Program—helping families and businesses recover from disasters—and has developed annual goals and measures to assess its yearly progress toward attaining their strategic goals. GAO reviewed the measures and found that they have numerous limitations. For instance, these measures do not capture the notable progress the program has made in improving its loan processing—progress that ultimately affects disaster loan applicants and borrowers. The inadequacies of SBA’s measures are especially evident when considered in light of the agency’s performance in responding to the September 11 terrorist attacks. GAO attributes some of these limitations to the nature of the measures SBA uses to describe the performance of the Disaster Loan Program, while others can be attributed to the description of the program’s performance. Without better performance measures and plans, the Congress does not have an accurate description of SBA’s annual progress toward helping Americans recover from disasters.

SBA personnel meet with individuals interested in loans that help homeowners and small businesses recover from disasters.