



DISASTER NEWS

Economic Injury Loans for Small Businesses

SBA Disaster Assistance – Field Operations Center- East – 101 Marietta Street, NW, Suite 700, Atlanta, GA 30303

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SBA Disaster Loans Available Following Secretary of Agriculture Disaster Declaration in Minnesota

ATLANTA - The U.S. Small Business Administration announces today that federal economic injury disaster loans are available to small businesses, small agricultural cooperatives and most private non-profit organizations of all sizes located in several Minnesota counties as a result of excessive rainfall, flooding, unseasonably cool temperature, frost and freezes and drought that occurred from April 1 through December 31, 2009.

Small businesses and most private non-profit organizations in the following counties are eligible to apply: Aitkin, Becker, Beltrami, Carlton, Cass, Clay, Clearwater, Cook, Crow Wing, Douglas, Grant, Hubbard, Itasca, Kanabec, Kandiyohi, Koochiching, Lake, Lake of the Woods, Mahnommen, Marshall, Mille Lacs, Morrison, Norman, Otter Tail, Pennington, Pine, Polk, Pope, Roseau, Saint Louis, Stearns, Stevens, Swift, Todd, Traverse, Wadena and Wilkin.

“When the Secretary of Agriculture issues a disaster declaration to help farmers recover from damages and losses to crops, the Small Business Administration issues a declaration to assist eligible entities affected by the same disaster,” said Frank Skaggs, director of SBA’s Field Operations Center East.

Under this declaration, the SBA’s Economic Injury Disaster Loan program is available to eligible farm-related and nonfarm-related entities that suffered financial losses as a direct result of this disaster. Agricultural producers, farmers and ranchers are not eligible to apply to SBA, but nurseries are eligible to apply for economic injury disaster loans for losses caused by drought conditions.

The loan amount can be up to \$2 million with a 4 percent interest rate and terms up to 30 years. The SBA determines eligibility based on the size of the applicant, type of activity and its financial resources. Loan amounts and terms are set by the SBA and are based on each applicant’s financial condition. These working capital loans may be used to pay fixed debts, payroll, accounts payable, and other bills that could have been paid had the disaster not occurred. The loans are not intended to replace lost sales or profits.

Disaster loan information and application forms may be obtained by calling the SBA's Customer Service Center at 800-659-2955 (800-877-8339 for the hearing-impaired) Monday through Friday from 8 a.m. to 6 p.m. EDT or by sending an e-mail to disastercustomerservice@sba.gov. Loan applications can be downloaded from the SBA's Web site at www.sba.gov/services/disasterassistance. Completed applications should be mailed to: U.S. Small Business Administration, Processing and Disbursement Center, 14925 Kingsport Road, Fort Worth, TX 76155.

Those affected by the disaster may apply for disaster loans from SBA's secure Web site at <https://disasterloan.sba.gov/ela/>.

Completed loan applications must be returned to SBA no later than November 8, 2010.

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For more information about the SBA's Disaster Loan Programs, visit our Web site at www.sba.gov/services/disasterassistance.