



DISASTER NEWS

Economic Injury Loans for Small Businesses

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Release Date: April 28, 2010
Release Number: 10-366, WI 11900

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SBA Disaster Loan Deadline in Minnesota is May 25

ATLANTA - The U.S. Small Business Administration is reminding small businesses that **May 25** is the filing deadline for federal economic injury disaster loans that are available in Carlton, Chisago, Goodhue, Pine, St. Louis, Wabasha, Washington and Winona counties in Minnesota as a result of drought that began on March 1, 2009. The SBA's Economic Injury Disaster Loan program offers loans up to \$2 million with a 4 percent interest rate for small businesses, small agricultural cooperatives and most private non-profit organizations of all sizes.

“These counties are eligible because they are contiguous to one or more primary counties in Wisconsin. The SBA recognizes that disasters do not usually stop at county or state lines. For that reason, counties adjacent to primary counties named in the declaration are included,” said Frank Skaggs, director of SBA's Field Operations Center East.

“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 eligible entities affected by the same disaster,” said Skaggs. 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.

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.

The SBA determines eligibility based on the size of the applicant, type of activity and its financial resources. Terms can be up to 30 years based on each applicant's financial condition. These working capital loans may be used to pay fixed debts, payroll, accounts payable, and other expenses 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 people with speech or hearing disabilities) Monday through Friday from 8 a.m. to 6 p.m. and Saturday from 9 a.m. to 5:30 p.m. EDT or by sending an e-mail to disastercustomerservice@sba.gov. Loan applications can be downloaded from the SBA's website 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 website at <https://disasterloan.sba.gov/ela/>. Those affected by the disaster may apply for disaster loans from SBA's secure website at <https://disasterloan.sba.gov/ela/>.

Completed loan applications must be returned to SBA no later than May 25, 2010.

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