



# ***DISASTER NEWS***

*Economic Injury Loans for Small Businesses*

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## **SBA Offers Economic Injury Disaster Loans in Washington, DC**

**ATLANTA** - The U.S. Small Business Administration announced today that Economic Injury Disaster Loans (EIDLs) are available to small businesses, small agricultural cooperatives and most private non-profit organizations of all sizes located in the District of Columbia. These EIDLs are available due to a disaster declaration for drought and excessive heat from June 1 through Aug. 31, 2010. The loan amount can be up to \$2 million with interest rates of 4 percent for small businesses and 3 percent for non-profit organizations, with terms up to 30 years.

“The District of Columbia is eligible because it is contiguous to one or more primary counties in Maryland. The Small Business Administration recognizes that disasters do not usually stop at county or state lines. For that reason, political subdivisions adjacent to primary counties named in the declaration are included in the declaration,” 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. “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.”

Economic Injury Disaster Loans are for unmet working capital needs, such as fixed debt payments, payroll, accounts payable, and other expenses that could have been paid had the disaster not occurred. The SBA determines EIDL eligibility based on the size of the entity, type of activity and its financial resources. The loans are not intended to replace lost sales or profits. Loan amounts and terms are based on each applicant’s financial condition.

Completed loan applications must be returned to the SBA no later than July 5, 2011.

For more information about SBA disaster declarations, to obtain [application forms](#) or [apply online](#) visit [www.sba.gov/services/disasterassistance](http://www.sba.gov/services/disasterassistance), or call 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. ET.

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For more information about the SBA Disaster Programs visit our Website at [www.sba.gov/services/disasterassistance](http://www.sba.gov/services/disasterassistance).