



DISASTER NEWS

Economic Injury Loans for Small Businesses

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Disaster Assistance Available for Small Businesses

Sacramento, CA - Small businesses in 14 South Dakota counties (plus neighboring counties in Iowa, Minnesota, Nebraska and Wyoming) may now apply for low-interest disaster loans from the U. S. Small Business Administration (SBA). "These loans offset economic losses because of reduced revenues caused by the combined effects of a late spring killing frost, extreme heat, high winds, hail, insect damage, insufficient subsoil moisture, prairie fires caused by dry lightning, and ongoing drought in the counties of Clay, Deuel, Lawrence and Union beginning January 1, 2006," announced Alfred E. Judd, Director of SBA's Disaster Field Operations Center - West.

Small businesses in the following primary and neighboring counties may apply:

Primary South Dakota counties: **Clay, Deuel, Lawrence and Union;**

Neighboring South Dakota counties: **Brookings, Butte, Codington, Grant, Hamlin, Lincoln, Meade, Pennington, Turner and Yankton;**

Neighboring Iowa counties: **Plymouth, Sioux and Woodbury;**

Neighboring Minnesota counties: **Lac Qui Parle, Lincoln and Yellow Medicine.**

Small businesses may qualify for Economic Injury Disaster Loans (EIDLs) of up to \$1.5 million to help meet financial obligations and operating expenses which could have been met had the disaster not occurred. "Eligibility for these loans is based on the financial impact of the disaster only and not on any actual property damage. These loans have an interest rate of 4%, a maximum term of 30 years, and are restricted to small businesses without the financial ability to offset the adverse impact without hardship," Judd said.

By law, SBA makes EIDLs available when the U. S. Secretary of Agriculture designates an agricultural disaster. Secretary Mike Johanns declared these disasters at the request of Governor Mike Rounds.

Businesses primarily engaged in farming or ranching are not eligible for SBA disaster assistance. Agricultural enterprises should contact the Farm Services Agency (FSA) about the U. S. Department of Agriculture (USDA) assistance made available by the Secretary's declaration. However, in drought disasters nurseries are eligible for SBA disaster assistance.

For information and application forms call toll-free (800) 659-2955, or visit SBA's website at www.sba.gov/services/disasterassistance. Hearing impaired individuals may call (800) 877-8339.

The deadline to apply for these loans is **July 16, 2007**.

For more information visit SBA's website at www.sba.gov/services/disasterassistance.

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