



DISASTER NEWS

Economic Injury Loans for Small Businesses

Release Date: May 18, 2007
Release Number: CA 10874, 75, 77, 78 - 01

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Disaster Assistance Available for Small Businesses

Sacramento, CA - Small, non-farm businesses in 22 California counties may now apply for low-interest disaster loans from the U. S. Small Business Administration (SBA). These disaster loans offset economic losses because of reduced revenues caused by adverse weather conditions throughout the state, announced Alfred E. Judd, Director of SBA’s Disaster Field Operations Center - West.

Small businesses in the following primary and neighboring counties may apply for working capital loans to offset economic losses that are attributable to the impact of the following weather conditions and incident dates in each disaster:

EIDL	Primary Counties	Neighboring Counties	Incident Type	Incident Date	Deadline
10874	San Benito	Fresno, Merced, Monterey, Santa Clara and Santa Cruz	Extremely low temperatures and freezing conditions	1/12/07 thru 1/24/07	1/9/08
10875	Contra Costa and Fresno	Alameda, Inyo, Kings, Madera, Merced, Mono, Monterey, Sacramento, San Benito, San Joaquin, Solano and Tulare	Combined effects of drought, higher than normal temperatures, and prolonged freezing conditions	10/15/06 and continuing	1/9/08
10877	Merced, Stanislaus and Tulare	Alameda, Calaveras, Fresno, Inyo, Kern, Kings, Madera, Mariposa, San Benito, San Joaquin, Santa Clara and Tuolumne	Combined effects of drought and abnormally cold temperatures	10/15/06 and continuing	1/9/08
10878	San Joaquin	Alameda, Amador, Calaveras, Contra Costa, Sacramento and Stanislaus	Combined effects of drought and freezing temperatures	10/15/06 and continuing	1/9/08

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 Arnold Schwarzenegger.

These declarations follow SBA’s January 24 disaster declaration of 40 California counties due to the freeze. So far, SBA has approved nearly \$8.5 million in low-interest disaster loans to California small businesses who were financially impacted by the freeze.

(more)

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.

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

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