



U.S. Small Business Administration

DISASTER NEWS

Economic Injury Loans for Small Businesses

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Disaster Assistance Available for Agricultural-Dependent Small Businesses

Sacramento, CA - Small, non-farm businesses in 11 Texas counties and one New Mexico County 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 the drought that occurred in Andrews and Crane Counties in Texas from January 1, 2008 through December 31, 2008,” said 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 disaster.

Primary Texas Counties: Andrews and Crane;

Neighboring Texas Counties: Crockett, Ector, Gaines, Martin, Midland, Pecos, Upton, Ward and Winkler;

Neighboring New Mexico County: Lea.

Small businesses and most private, non-profit organizations of any size may qualify for Economic Injury Disaster Loans (EIDLs) of up to \$2 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 Tom Vilsack declared this disaster at the request of Governor Rick Perry. 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.

Information and application forms are available from SBA’s Customer Service Center by calling (800) 659-2955, emailing disastercustomerservice@sba.gov, or visiting SBA’s website at www.sba.gov/services/disasterassistance. Hearing impaired individuals may call (800) 877-8339.

SBA’s Electronic Loan Application (ELA) is accessible via SBA’s secure website at <https://disasterloan.sba.gov/ela>.

The deadline to apply is **October 19, 2009**.

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

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