



U.S. Small Business Administration

DISASTER NEWS

Economic Injury Loans for Small Businesses

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Disaster Assistance Available for Small Businesses Economically Impacted by Drought in California

Sacramento, CA – Small, non-farm businesses in 50 California counties (plus neighboring counties in Arizona and Nevada) are eligible to 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 drought in the following primary California counties beginning January 1, 2009,” announced Alfred E. Judd, Director of SBA’s Disaster Field Operations Center - West.

Primary **California** counties:

Alameda	Colusa	Contra Costa	Inyo	Kern
Kings	Lake	Marin	Mariposa	Mendocino
Merced	Mono	Riverside	San Benito	San Joaquin
San Luis Obispo	Santa Clara	Sonoma	Stanislaus	Sutter
Tehama				

Neighboring **California** counties:

Alpine	Amador	Butte	Calaveras	Fresno
Glenn	Humboldt	Imperial	Los Angeles	Madera
Monterey	Napa	Orange	Placer	Plumas
Sacramento	San Bernardino	San Diego	San Mateo	Santa Barbara
Santa Cruz	Shasta	Solano	Trinity	Tulare
Tuolumne	Ventura	Yolo	Yuba	

Neighboring **Arizona** County: La Paz

Neighboring **Nevada** counties: Clark, Douglas, Esmeralda, Lyon, Mineral and Nye

“SBA eligibility covers both the economic impacts on businesses dependent on farmers and ranchers that have suffered agricultural production losses caused by the disaster and businesses directly impacted by the disaster,” Judd said.

Small, non-farm businesses, small agricultural cooperatives 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 working capital 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 added.

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 Arnold Schwarzenegger.

(more)

Businesses primarily engaged in farming or ranching are not eligible for SBA disaster assistance. Agricultural enterprises should contact the Farm Service 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 Web site at www.sba.gov/services/disasterassistance. Hearing impaired individuals may call (800) 877-8339. Applicants may also apply online using the Electronic Loan Application via SBA's secure Web site at <https://disasterloan.sba.gov/ela>.

The filing deadline to return an economic injury loan application is **May 17, 2010**.

For more information, visit SBA's Web site at www.sba.gov/services/disasterassistance.
SBA Field Operations Center - West, P.O. Box 419004, Sacramento, CA 95841

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