U.S. Small Business Administration

DISASTER NEWS

Economic Injury Loans for Small Businesses

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Disaster Assistance Available for Small Businesses

Sacramento, CA - Small, non-farm businesses in eight Kansas counties, three Colorado counties, and one Nebraska county 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 to farmers and ranchers caused by adverse weather conditions, 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 economic losses that are attributable to the following incident dates and adverse weather conditions:

Small businesses in the Kansas counties of **Cheyenne, Rawlins** and **Sherman,** the Colorado counties of **Kit Carson** and **Yuma**, and the Nebraska county of **Dundy** are eligible to apply for these loans due to the drought, excessive heat and high winds beginning January 1, 2005 in Cheyenne County, Kansas.

Small businesses in the Kansas counties of **Cheyenne, Greeley, Logan, Rawlins, Sherman, Thomas, Wallace** and **Wichita,** and the Colorado counties of **Cheyenne** and **Kit Carson** are eligible to apply due to the severe storms from June 19 through July 1, 2005 in Sherman and Wallace Counties, Kansas.

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 Kathleen Sebelius.

Businesses primarily engaged in farming or ranching are ineligible 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/disaster. Hearing impaired individuals may call (800) 877-8339. Mail completed applications to the U.S. Small Business Administration at 14925 Kingsport Road, Fort Worth, TX 76155.

The deadline to apply for these loans is **October 2, 2006.**

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

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