



DISASTER NEWS

Economic Injury Loans for Small Businesses

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SBA Economic Injury Disaster Loans Available to Arizona Small Businesses

SACRAMENTO, Calif. – Small, nonfarm businesses in 11 Arizona counties and neighboring counties in California, Colorado, Nevada, New Mexico and Utah are now eligible to apply for low-interest federal disaster loans from the U. S. Small Business Administration (SBA). “These loans offset economic losses because of reduced revenues caused by the drought that began on January 1, 2014, in the following primary counties,” announced Tanya N. Garfield, Director of SBA’s Disaster Field Operations Center-West.

Primary Arizona counties: Apache, Coconino, Greenlee, Mohave, Navajo and Yavapai;
Neighboring Arizona counties: Cochise, Gila, Graham, La Paz and Maricopa;
Neighboring California county: San Bernardino;
Neighboring Colorado county: Montezuma;
Neighboring Nevada counties: Clark and Lincoln;
Neighboring New Mexico counties: Catron, Cibola, Grant, Hidalgo, McKinley and San Juan;
Neighboring Utah counties: Kane, San Juan and Washington.

“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,” Garfield said.

Small, nonfarm businesses, small agricultural cooperatives, small businesses engaged in aquaculture and most private, nonprofit 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% for businesses and 2.625% for private, nonprofit organizations, a maximum term of 30 years, and are available to small businesses and most private, nonprofits without the financial ability to offset the adverse impact without hardship,” Garfield said.

By law, SBA makes EIDLs available when the U. S. Secretary of Agriculture designates an agricultural disaster. Secretary Tom Vilsack declared this disaster on March 5, 2014.

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.

Applicants may apply online using the Electronic Loan Application (ELA) via SBA’s secure Web site at <https://disasterloan.sba.gov/ela>.

Disaster loan information and application forms are also available from SBA’s Customer Service Center by calling (800) 659-2955 or e-mailing disastercustomerservice@sba.gov. Individuals who are deaf or hard-of-hearing may call (800) 877-8339. For more information about SBA’s disaster assistance programs, visit <http://www.sba.gov/disaster>.

The deadline to apply for these loans is **November 5, 2014**.