

PRESS OFFICE

Release Date: June 8, 2004
Release Number: 04-50

Contact: Carol Chastang (202) 205-6987
Internet Address: <http://www.sba.gov/news>

SBA Offers Tips to Help Businesses and Homeowners Prepare for Hurricane Season

WASHINGTON – With the beginning of the six-month Atlantic hurricane season, which runs from June 1 to Nov. 30, the U.S. Small Business Administration urges homeowners and businesses to plan and prepare for the worst-case scenario by taking steps in advance to minimize damage caused by these major storms.

The survival of a community can depend on the ability of businesses and homeowners to minimize the risks—wind damage and flooding—that accompany hurricanes.

In the aftermath of September’s devastating Hurricane Isabel, which caused major damage to homes and businesses in Virginia, the District of Columbia, Maryland, North Carolina and Delaware, the SBA provided more than 8,200 low-interest loans worth \$234 million. Power outages caused by fierce winds and inland flooding contributed to most of the property losses.

“Without a doubt, the impact of the storm could have been lessened if more people had prepared before the disaster,” SBA Administrator Hector V. Barreto said. “Taking steps before a hurricane strikes will help people respond quicker and recover sooner.”

Here are some hurricane preparedness tips for homes and businesses:

- **Have a disaster plan in place.** Find escape routes from the home or business and establish places to meet. Have on hand emergency phone numbers; business owners should designate a contact person who will communicate with other employees, customers and suppliers. Families should ask an out-of-state relative or friend to serve as the “family contact.”
- **Insurance.** According to the National Flood Insurance Program, only 25 to 50 percent of U.S. homeowners in flood-prone areas have flood insurance. Flood damage is not usually covered by homeowners insurance. Business owners and individuals should review their insurance policies before the storm hits. Business interruption insurance—which replaces income lost during down time caused by a covered peril— should be considered.

- **Disaster survival kit.** It should include a flashlight and extra batteries, portable, battery-operated radio and extra batteries, a first-aid kit, non-perishable packaged and canned food, water (a weeks' worth), a manual can opener, sturdy shoes, a basic tool kit, waterproof plastic bags, and cash.
- **Important business records** should be stored at an off-site location at least 50 miles away. Computer data should be backed up, saved on diskettes or CD Roms and stored off-site.
- **Windows.** Install storm shutters over all exposed windows and other glass surfaces in the home or business. Plywood shutters—1/2-inch marine plywood is best—can also offer protection from flying debris.

The SBA makes low-interest disaster loans to homeowners, renters and non-farm businesses of all sizes. Homeowners may borrow up to \$200,000 to repair or replace damaged real estate. Individuals may borrow up to \$40,000 to cover losses to personal property.

Non-farm businesses and non-profit organizations of any size may apply for up to \$1.5 million to repair or replace business assets. Small businesses that suffered economic losses may apply for a working capital loan of up to \$1.5 million, even if the property was not physically damaged.

During fiscal 2003, the SBA approved more than 25,800 disaster loans for \$885 million.

To learn more about the SBA's disaster assistance program and links to additional disaster preparedness tips, visit the web site at www.sba.gov/disaster.

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