



NEWS RELEASE

PRESS OFFICE

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SMALL BUSINESSES EMPLOYING MORE THAN 148,000 PEOPLE BENEFIT FROM DISASTER ASSISTANCE IN YEAR SINCE TERRORIST ATTACKS

WASHINGTON – The U.S. Small Business Administration has made more than \$885 million in low interest disaster loans to more than 9,300 small businesses with more than 148,000 employees in the year since terrorists launched attacks on the World Trade Center and the Pentagon.

The loans have supported each of these businesses in their efforts to remain open in the wake of the economic devastation left in the wake of Sept. 11, 2001.

At the same time, SBA's Supplemental Terrorist Activity Relief program (STAR) has helped thousands of small businesses nationwide that suffered in the aftermath of the attack, but may not have qualified for a SBA disaster loan. So far \$1.1 billion in STAR loans have been made to 3,196 small businesses. These loans can be used for a variety of business purposes, including start-up costs.

“Small businesses across America have inspired us all by their resilience in the face of unprecedented challenges since September 11th,” said SBA Administrator Hector V. Barreto. **“By keeping their employees working and their doors open to customers, these entrepreneurs continue to serve as the backbone of the nation’s economy.”**

The deadline for business owners and individuals in New York to apply for a disaster loan is Jan. 31, 2003. Small business owners who suffered economic losses in the aftermath of last year's terrorist attacks have until Sept. 30 to apply for an Economic Injury Disaster Loan (EIDL).

Small businesses nationwide may apply for STAR loans until the \$4.5 billion funding cap has been reached. Business owners may contact their local SBA office to apply.

The EIDLs are available to eligible small businesses that suffered substantial economic injury as a direct result of the attacks or a federal action taken in response to the attacks. EIDLs provide eligible small businesses with the working capital needed to pay ordinary and necessary operating expenses they can't cover because of the disaster. These expenses may include fixed debts, payroll, accounts payable and other bills.

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Small businesses may apply for a working capital loan of up to \$1.5 million. The interest rate on these loans is 4 percent with a maximum term of up to 30 years. The SBA determines the amount of economic injury, the term of each loan and the payment amount based on the financial circumstances of each borrower.

For an online application and instructions on how to complete it, go to <http://www.sba.gov/disaster/eidl.html> on the SBA Web site.

Businesses interested in applying for an economic injury disaster loan can contact one of the four SBA disaster area offices to obtain an application. Below are the phone numbers for the offices and the states each office serves:

Niagara Falls, NY 14303
1-800-659-2955

Serves: Connecticut, District of Columbia, Delaware, Maine, Maryland, Massachusetts, New Hampshire, New Jersey, New York, Pennsylvania, Puerto Rico, Rhode Island, Vermont, Virgin Islands, Virginia and West Virginia

Atlanta, GA 30308
1-800-359-2227

Serves: Alabama, Florida, Georgia, Illinois, Indiana, Kentucky, Michigan, Minnesota, Mississippi, North Carolina, Ohio, South Carolina, Tennessee and Wisconsin

Ft. Worth, TX 76155
1-800-366-6303

Serves: Arkansas, Colorado, Iowa, Kansas, Louisiana, Missouri, Montana, Nebraska, New Mexico, North Dakota, Oklahoma, South Dakota, Texas, Utah and Wyoming

Sacramento, CA 95853-4795
1-800-488-5323

Serves: Alaska, American Samoa, Republic of the Marshall Islands, Commonwealth of the Northern Mariana Islands, Federated States of Micronesia, Arizona, California, Guam, Hawaii, Idaho, Nevada, Oregon and Washington

To find out more about the SBA's disaster assistance program, visit the Web site at www.sba.gov/disaster.

For more information about all of the SBA's programs for small businesses, call the SBA Answer Desk at 1-800-U-ASK-SBA, or visit the SBA's extensive Web site at www.sba.gov.

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