



NEWS RELEASE

PRESS OFFICE

Release Date: September 4, 2002

Contact: Carol Chastang (202) 205-6987

Release Number: 02-43

Internet Address: www.sba.gov/news/indexheadline.html

SMALL BUSINESSES MAY APPLY FOR SBA DISASTER LOANS UNTIL SEPTEMBER 30

WASHINGTON – Small business owners who suffered economic losses in the aftermath of last year's terrorist attacks have until Sept. 30 to apply for a U.S. Small Business Administration Economic Injury Disaster Loans (EIDL).

"Many jobs and businesses have been saved thanks to the EIDL program," said SBA Administrator Hector V. Barreto. As the deadline approaches, the administrator urged business owners to take advantage of this low-interest loan program, and to file their applications quickly. **"Ensuring the survival of small businesses is the key to stimulating the nation's economy, and this loan program is doing just that"** Barreto said.

The EIDLs are available to eligible small businesses that suffered substantial economic injury as a direct result of the September terrorist 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.

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.

Since Sept. 11, SBA has approved more than \$884 million in disaster loans nationwide to businesses affected by the terrorist attacks. Of that total, more than \$432 million in loans went to business owners and residents in New York City and Northern Virginia.

Meanwhile, the disaster loan application deadline for businesses located in the communities declared disaster areas by President Bush (New York City and adjacent counties in New Jersey, Connecticut, Pennsylvania and Massachusetts) is January 31, 2003.

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.

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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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