



DISASTER NEWS

Economic Injury Loans for Small Businesses

Release Date: November 21, 2012
Release Number: AK 13393-01

Media Contact: Richard Jenkins
Phone: (916) 735-1500

SBA Offers Disaster Assistance to Small Businesses Economically Impacted by the 2012 Alaska Chinook Salmon Fishery Disaster

SACRAMENTO, Calif. – The U. S. Small Business Administration (SBA) is making low-interest, working capital federal disaster loans available to small businesses economically impacted by the 2012 Alaska Chinook Salmon Fishery disaster that occurred from June 1 through August 30, 2012, SBA Administrator Karen G. Mills said today. SBA acted under its own authority to declare a disaster following a request received on November 16, 2012, from Gov. Sean Parnell.

The disaster declaration makes SBA assistance available in the following primary areas: Kenai Peninsula Borough, Lower Kuskokwim Rural Education Attendance Area (REAA), Lower Yukon REAA and Matanuska-Susitna Borough.

SBA assistance is also available for small businesses in the neighboring boroughs of Denali, Kodiak Island, Lake and Peninsula and the neighboring REAAs of Bering Strait, Chugach, Copper River, Delta/Greely, Iditarod Area, Kashunamiut (Chevak), Kuspuk, Southwest Region and Yupiit. Small businesses in the Municipality of Anchorage are also eligible for assistance.

“The U. S. Small Business Administration is strongly committed to providing the most effective and customer-focused response possible to assist Alaska’s small businesses with federal disaster loans. We will be swift in our efforts to help these small businesses recover from the financial impacts of this disaster,” said Administrator Mills.

“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,” said SBA’s Alaska District Director Karen N. Forsland.

“These loans may be used to pay fixed debts, payroll, accounts payable and other bills that can’t be paid because of the disaster’s impact. Disaster loans can provide vital economic assistance to small businesses to help overcome the temporary loss of revenue they are experiencing,” Forsland added.

Eligibility 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 percent for small businesses and 3 percent for private, nonprofit organizations with terms up to 30 years, and are restricted to small businesses without the financial ability to offset the adverse impact without hardship.

Some eligible business owners include: small businesses engaged in salmon fishing in the waters affected by the closure (employees or crew members are not small businesses and are not eligible); small businesses dependent on the catching or sale of salmon including suppliers of fishing gear and fuel, docks, boatyards, processors, wholesalers, shippers, and retailers; and other small businesses dependent on revenue from the above.

(--more--)

“We recognize that some affected businesses may be reluctant to seek a loan to meet their immediate financial needs, but we encourage each business to learn how an SBA disaster loan can help them recover from the fishing disaster,” Forsland emphasized.

The Alaska Small Business Development Center (SBDC) is offering free, personalized counseling to help affected business owners in their recovery. Business owners may contact the SBDC at the locations listed below, or visit the Alaska SBDC website at <http://aksbdc.org/>.

Alaska SBDC - State Office
University of Alaska Anchorage
430 West 7th Avenue, Suite 110
Anchorage, AK 99501
(907) 274-7232

Bethel Office SBDC
P.O. Box 2968
Bethel, AK 99559
(907) 543-0255

Central Region SBDC
201 North Lucille Street, Suite 2A
Wasilla, AK 99654
(907) 373-7232

South West Region SBDC
43335 Kalifornsky Beach Road, Suite 12
Soldotna, AK 99669
(907) 260-5629

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

For owners of these impacted small businesses, disaster loan information and applications are available from SBA by calling SBA at (800) 659-2955, emailing disastercustomerservice@sba.gov, or visiting SBA’s Web site at www.sba.gov/services/disasterassistance. Individuals who are deaf or hard-of-hearing may call (800) 877-8339.

The filing deadline to return economic injury applications is **August 21, 2013**.

SBA Field Operations Center - West, P.O. Box 419004, Sacramento, CA 95841
###