



U.S. Small Business Administration

NEWS RELEASE

Disaster Field Operations Center East

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SBA Offers Disaster Assistance to Small Businesses in Mississippi Affected by Blue-Green Algae on the Gulf Coast of Mississippi

WASHINGTON – Low-interest Economic Injury Disaster Loans (EIDLs) from the U.S. Small Business Administration (SBA) are available to Mississippi small businesses, small agricultural cooperatives, small aquaculture businesses and private nonprofit organizations affected by the blue-green algae on the Gulf Coast of Mississippi from June. 22 through Oct. 5, 2019.

SBA Administrator Jovita Carranza made the loans available in response to a letter from Gov. Phil Bryant on Jan. 7, 2020, requesting a disaster declaration by the SBA. The declaration covers Hancock, Harrison and Jackson counties and the adjacent counties of George, Pearl River and Stone in **Mississippi**; Mobile in **Alabama**; and St. Tammany Parish in **Louisiana**.

“The SBA is strongly committed to providing the people of **Mississippi** with the most effective and customer-focused response possible to assist small businesses with federal Economic Injury Disaster Loans,” said Carranza. “Getting businesses and communities up and running after a disaster is our highest priority at SBA.”

SBA’s Customer Service Representatives will be available at the Disaster Loan Outreach Center to answer questions about the disaster loan program and help individuals complete their applications.

The Centers are located in the following communities and are open as indicated:

<p>Opens: Wednesday, Jan. 22, from 11 a.m. until 6 p.m. Hours: Monday-Friday from 9 a.m. to 6 p.m. Saturdays, 10 a.m. to 2 p.m. Closed: Sundays Last Day: Wednesday, Feb. 5, from 9 a.m. to 4 p.m.</p>	
<p>Hancock County Storm Prep Building Conference Room <u>18355 Highway 603</u> Kiln, MS 39556</p>	<p>Harrison County County Office Complex, Sand Beach Office <u>842 Commerce St.</u> Gulfport, MS 39507</p>

Jackson County

2915 Canty Street, Main Entrance Lobby

Pascagoula, MS 39567

“The SBA can help affected small businesses and nonprofit organizations overcome their economic losses by offering working capital loans, but the help cannot start until they submit an SBA disaster loan application to us,” said SBA’s Mississippi District Director Janita Stewart.

Eligible entities may qualify for loans up to \$2 million. The SBA offers economic injury loans to help meet working capital needs caused by the disaster. The rates on these loan are 4 percent for small businesses and 2.75 percent for nonprofit organizations with terms up to 30 years.

Eligibility for these working capital loans are based on the size and type of business and its financial resources. These working capital loans may be used to pay fixed debts, payroll, accounts payable, and other bills that could have been paid had the disaster not occurred. The loans are not intended to replace lost sales or profits. Economic Injury Disaster Loan assistance is available regardless of whether the business suffered any physical property damage.

Applicants may apply online using the Electronic Loan Application (ELA) via SBA’s secure website at DisasterLoan.sba.gov.

Businesses may also obtain information and loan applications by calling the SBA’s Customer Service Center at 1-800-659-2955 (1-800-877-8339 for the deaf and hard-of-hearing), or by emailing disastercustomerservice@sba.gov. Loan applications can also be downloaded at www.sba.gov. Completed applications should be returned to the center or mailed to: U.S. Small Business Administration, Processing and Disbursement Center, 14925 Kingsport Road, Fort Worth, TX 76155.

The deadline to return economic injury applications is **Oct. 16, 2020**.

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About the U.S. Small Business Administration

The U.S. Small Business Administration makes the American dream of business ownership a reality. As the only go-to resource and voice for small businesses backed by the strength of the federal government, the SBA empowers entrepreneurs and small business owners with the resources and support they need to start, grow or expand their businesses, or recover from a declared disaster. It delivers services through an extensive network of SBA field offices and partnerships with public and private organizations. To learn more, visit www.sba.gov.



U.S. Small Business
Administration

U.S. SMALL BUSINESS ADMINISTRATION FACT SHEET – ECONOMIC INJURY DISASTER LOANS

MISSISSIPPI Declaration 16242

(Disaster: MS-00119)

Incident: BLUE-GREEN ALGAE ON THE GULF COAST OF MISSISSIPPI

occurring: June 22 through October 05, 2019

in the Mississippi counties of: **Hancock, Harrison and Jackson**; the contiguous Mississippi counties of: **George, Pearl River and Stone**; the contiguous Alabama county: **Mobile**; and the contiguous Louisiana county of: **Saint Tammany**

Application Filing Deadline: October 16, 2020

Disaster Loan Assistance Available:

Economic Injury Disaster Loans (EIDLs) – Working capital loans to help small businesses, small agricultural cooperatives, small businesses engaged in aquaculture, and most private, non-profit organizations of all sizes meet their ordinary and necessary financial obligations that cannot be met as a direct result of the disaster. These loans are intended to assist through the disaster recovery period.

Credit Requirements:

- Credit History – Applicants must have a credit history acceptable to SBA.
- Repayment – Applicants must show the ability to repay the loan.
- Collateral – Collateral is required for all EIDL loans over \$25,000. SBA takes real estate as collateral when it is available. SBA will not decline a loan for lack of collateral, but SBA will require the borrower to pledge collateral that is available.

Interest Rates:

The interest rate is determined by formulas set by law and is fixed for the life of the loan. The maximum interest rate for this program is 4 percent.

Loan Terms:

The law authorizes loan terms up to a maximum of 30 years. SBA will determine an appropriate installment payment based on the financial condition of each borrower, which in turn will determine the loan term.

Loan Amount Limit:

The law limits EIDLs to \$2,000,000 for alleviating economic injury caused by the disaster. The actual amount of each loan is limited to the economic injury determined by SBA, less business interruption insurance and other recoveries up to the administrative lending limit. SBA also considers potential contributions that are available from the business and/or its owner(s) or affiliates. If a business is a major source of employment, SBA has the authority to waive the \$2,000,000 statutory limit.

Loan Eligibility Restrictions:

Noncompliance – Applicants who have not complied with the terms of previous SBA loans may not be eligible. This includes borrowers who did not maintain required flood insurance and/or hazard insurance on previous SBA loans.

Note: Loan applicants should check with agencies / organizations administering any grant or other assistance program under this declaration to determine how an approval of SBA disaster loan might affect their eligibility.

Refinancing:

Economic injury disaster loans cannot be used to refinance long term debts.

Insurance Requirements:

To protect each borrower and the Agency, SBA may require you to obtain and maintain appropriate insurance. By law, borrowers whose damaged or collateral property is located in a special flood hazard area must purchase and maintain flood insurance. SBA requires that flood insurance coverage be the lesser of 1) the total of the disaster loan, 2) the insurable value of the property, or 3) the maximum insurance available.

Applicants may apply online, receive additional disaster assistance information and download applications at <https://disasterloan.sba.gov/ela>. Applicants may also call SBA's Customer Service Center at (800) 659-2955 or email disastercustomerservice@sba.gov for more information on SBA disaster assistance. Individuals who are deaf or hard-of-hearing may call (800) 877-8339. Completed applications should be mailed to U.S. Small Business Administration, Processing and Disbursement Center, 14925 Kingsport Road, Fort Worth, TX 76155.