



Disaster Field Operations Center West

Release Date: May 21, 2021

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Release Number: IA 16758-02

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Deadline Approaching in Iowa for SBA Working Capital Loans Due to a Derecho

SACRAMENTO, Calif. – Director Tanya N. Garfield of the U.S. Small Business Administration’s Disaster Field Operations Center-West today reminded small nonfarm businesses in 12 Iowa counties and a neighboring county in Illinois of the June 21, 2021, deadline to apply for an SBA federal disaster loan for economic injury. These low-interest loans are to offset economic losses because of reduced revenues caused by a derecho in the following primary counties that occurred Aug. 10, 2020.

Primary Iowa counties: Grundy and Muscatine;

Neighboring Iowa counties: Black Hawk, Butler, Cedar, Franklin, Hardin, Johnson, Louisa, Marshall, Scott and Tama;

Neighboring Illinois county: Rock Island.

According to Garfield, small nonfarm businesses, small agricultural cooperatives, small businesses engaged in aquaculture and most private nonprofit organizations of any size may apply for Economic Injury Disaster Loans of up to \$2 million to help meet working capital needs caused by the disaster. “Economic Injury Disaster Loans may be used to pay fixed debts, payroll, accounts payable and other bills that cannot be paid because of the disaster’s impact,” said Garfield.

“SBA eligibility covers both the economic impacts on businesses dependent on farmers and ranchers that have suffered agricultural production losses caused by the disaster and businesses directly impacted by the disaster. Economic injury assistance is available regardless of whether the applicant suffered any property damage,” Garfield added.

The interest rate is 3 percent for businesses and 2.75 percent for private nonprofit organizations with terms up to 30 years. Loan amounts and terms are set by SBA and are based on each applicant’s financial condition.

By law, SBA makes Economic Injury Disaster Loans available when the U.S. Secretary of Agriculture designates an agricultural disaster. The Secretary declared this disaster on Oct. 20, 2020.

Businesses primarily engaged in farming or ranching are not eligible for SBA disaster assistance. Agricultural enterprises should contact the Farm Services Agency about the U.S. Department of Agriculture assistance made available by the Secretary’s declaration.

Applicants may apply online, receive additional disaster assistance information and download applications at <https://disasterloanassistance.sba.gov/>. 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.

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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.