



Disaster Field Operations Center East

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Alabama Businesses Affected by Drought Can Apply for SBA Loans

ATLANTA - The [U.S. Small Business Administration \(SBA\)](#) announced today that federal Economic Injury Disaster Loans (EIDLs) are available in **Alabama** for small businesses, small agricultural cooperatives, small businesses engaged in aquaculture, and most private nonprofit organizations with economic losses due to drought that began on **Sept. 12**.

The declaration includes Baldwin, Conecuh, Escambia, Mobile and Monroe counties; and the contiguous counties of Butler, Clarke, Covington, Washington and Wilcox in **Alabama**; Escambia, Okaloosa and Santa Rosa counties in **Florida**; and George, Greene and Jackson counties in **Mississippi**.

“Working capital loans from the SBA are essential to eligible small businesses when the Secretary of Agriculture declares a disaster due to farmers’ crop losses,” said Francisco Sanchez Jr., associate administrator of SBA’s Office of Disaster Recovery & Resilience. “These loans help sustain rural economies when a disaster occurs.”

Under this declaration, the SBA’s [Economic Injury Disaster Loan \(EIDL\)](#) program is available to eligible farm-related and nonfarm-related entities that suffered financial losses as a direct result of this disaster. Apart from aquaculture enterprises, SBA cannot provide disaster loans to agricultural producers, farmers, and ranchers. Nurseries are eligible to apply for economic injury disaster loans for losses caused by drought conditions.

The loan amount can be up to \$2 million with interest rates of **4%** for small businesses and **2.375%** for private nonprofit organizations, with terms up to 30 years. Interest does not begin to accrue, and monthly payments are not due until 12 months from the date of the initial disbursement. Eligibility is based on the size of the applicant, type of activity 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.

Applicants may apply online using the Electronic Loan Application (ELA) via the SBA’s secure website at DisasterLoanAssistance.sba.gov/ela/s/ and should apply under SBA declaration # **18197**.

Disaster loan information and application forms may also be obtained by calling the SBA’s Customer Service Center at 800-659-2955 (if you are deaf, hard of hearing, or have a speech disability, please dial 7-1-1 to access telecommunications relay services), or sending an email to DisasterCustomerService@sba.gov. Loan applications can be downloaded from the SBA’s website at sba.gov/disaster. Completed applications should be mailed to: U.S. Small Business Administration, Processing and Disbursement Center, 14925 Kingsport Road, Fort Worth, TX 76155.

Submit completed loan applications to the SBA no later than **May 20, 2024**.

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About the U.S. Small Business Administration

The U.S. Small Business Administration helps power the American dream of business ownership. 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, 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.