



FEMA

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# News Release

## Returning SBA Loan Application May Open Doors to More FEMA Assistance

NORTH LITTLE ROCK – Applicants for federal disaster assistance who are contacted by the U.S. Small Business Administration after registering with the Federal Emergency Management Agency should complete and return an SBA disaster loan application to continue the recovery assistance process for themselves, and not lose out on additional FEMA dollars. The application deadline for physical losses is Aug. 25, 2015.

When a federal disaster is declared, the SBA is authorized to offer low-interest loans to businesses of all sizes (including landlords) and to individual homeowners, renters, and private nonprofit organizations that have sustained damage in a disaster. There is no cost to apply for a disaster loan.

While SBA's low-interest disaster loans represent the major source of federal funding for recovery, the application itself may open the door to other FEMA grant programs. People who do not qualify for a loan may be eligible for grants to replace essential household items, replace or repair a damaged vehicle, or cover storage expenses.

“In a disaster, SBA helps individuals as well as businesses,” said Federal Coordinating Officer Nancy Casper. “No one is obligated to accept an SBA loan. If SBA contacts you, it’s important to request a loan application, fill it out and return it. If you don’t submit the loan application, the assistance process may stop prematurely.”

FEMA grants are designed to jump-start the recovery process and may not cover all damage or property loss. Through SBA's loan program, eligible homeowners may borrow up to \$200,000 for home repair or replacement of primary residences, and eligible homeowners and renters may borrow up to \$40,000 to replace disaster-damaged or destroyed personal property, including a vehicle.

Businesses of all sizes can qualify for up to \$2 million in low-interest loans to help cover physical damages.

Small businesses and most private nonprofits suffering economic impact due to the severe weather and flooding can apply for up to \$2 million for any combination of property damage or economic injury under SBA's Economic Injury Disaster Loan (EIDL) program. Eligible small businesses applying for only the EIDL program have until March 28, 2016 to apply.

Interest rates for SBA disaster loans can be as low as 1.688 percent for homeowners and renters, 4 percent for businesses and 2.625 percent for private nonprofit organizations, with terms up to 30 years.

Recovery officials note several reasons for completing an SBA loan application. For instance:

- An insurance settlement may fall short, and you also have to cover the amount of your deductible. A survivor may be underinsured for the amount of work needed to repair or replace a structure. You may have to pay extra costs in order to comply with current building codes. An SBA low-interest disaster loan can cover the expenses not covered by insurance. When you receive your insurance settlement, you can use the proceeds to pay down the SBA loan. Residents and business owners should apply right away with SBA as part of the overall federal disaster recovery process, and not wait for insurance claims to settle.
- SBA specialists can help with an affordable low-interest loan that fits an applicant's budget. In some cases, SBA can refinance all or part of an existing mortgage.
- SBA can help renters replace household contents and vehicles. Renters and homeowners may borrow up to \$40,000 to repair or replace clothing, furniture, cars or appliances damaged or destroyed by the storms and flooding.

If you have questions about SBA or the loan process, or need help to complete the SBA application, assistance is available by:

- Calling 800-659-2955
- Emailing [disastercustomerservice@sba.gov](mailto:disastercustomerservice@sba.gov)
- Visiting SBA's website at [www.sba.gov/disaster](http://www.sba.gov/disaster) and downloading an application
- Deaf and hard-of-hearing individuals may call (800) 877-8339

Arkansas residents in the nine-county disaster area who suffered damage from the severe storms, tornadoes, straight-line winds, and flooding of May 7 to June 15, 2015 may be eligible for disaster assistance.

That assistance is available to affected individuals in Crawford, Garland, Howard, Jefferson, Little River, Miller, Perry, Sebastian, and Sevier counties.

People with storm losses who still need to register with FEMA can register anytime online at [www.DisasterAssistance.gov](http://www.DisasterAssistance.gov), or with a smartphone or device at [m.fema.gov](http://m.fema.gov). Survivors can also register by phone from 6 a.m. to 9 p.m. by calling FEMA at 800-621-3362. People who use TTY can call 800-462-7585. Multilingual operators are available.

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*Disaster recovery assistance is available without regard to race, color, religion, nationality, sex, age, disability, English proficiency or economic status. If you or someone you know has been discriminated against, call FEMA toll-free at 800-621-3362. For TTY, call 800-462-7585.*

*The SBA is the federal government's primary source of money for the rebuilding of disaster-damaged private property. SBA helps businesses of all sizes, private non-profit organizations, homeowners and renters fund repairs or rebuilding efforts and cover the cost of replacing lost or disaster-damaged personal property. These*

*disaster loans cover losses not fully compensated by insurance or other recoveries and do not duplicate benefits of other agencies or organizations. For more information, applicants may contact SBA's Disaster Assistance Customer Service Center by calling (800) 659-2955, emailing [disastercustomerservice@sba.gov](mailto:disastercustomerservice@sba.gov), or visiting SBA's website at [www.sba.gov/disaster](http://www.sba.gov/disaster). Deaf and hard-of-hearing individuals may call (800) 877-8339.*

*FEMA's mission is to support our citizens and first responders to ensure that as a nation we work together to build, sustain, and improve our capability to prepare for, protect against, respond to, recover from, and mitigate all hazards.*

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