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SBA Announces Up to \$2M Disaster Loans for Drought-Impacted St. Croix Businesses

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Artificial pond for fish farming. By. GETTY IMAGES

The U.S. Small Business Administration on Friday unveiled a new lifeline for small businesses, small agricultural cooperatives, aquaculture enterprises, and most private nonprofit organizations on St. Croix: federal Economic Injury Disaster Loans (EIDL), which are being made available to offset economic losses from the drought that began on March 21, 2023.

The initiative, according to the SBA, is part of a larger federal response to mitigate damages and losses to crops and businesses affected by the drought. "When the Secretary of Agriculture issues a disaster declaration to help farmers recover from damages and losses to crops, the Small Business Administration issues a declaration to eligible entities affected by the same disaster,"

explained Kem Fleming, director of SBA's Field Operations Center East.

Loans of up to \$2 million are available with an interest rate of 4 percent for small businesses and 2.375 percent for private nonprofit organizations, with repayment periods extending up to 30 years. Intended as working capital, these loans can be used to cover fixed debts, payroll, accounts payable, and other bills that could have been settled had the drought not taken place. It is important to note, however, that these loans are not designed to replace lost sales or profits.

Apart from aquaculture enterprises, the SBA says it 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.

Eligible entities can [apply online](#) under the declaration number 17934. Alternatively, disaster loan information and application forms can be obtained by calling the SBA's Customer Service Center at 800-659-2955. Individuals with hearing or speech disabilities may access telecommunications relay services by dialing 7-1-1. Email queries can be sent to DisasterCustomerService@sba.gov.

For those wishing to apply via mail, application forms can be [downloaded](#) from the SBA's website. Completed applications should be sent to the U.S. Small Business Administration, Processing and Disbursement Center, 14925 Kingsport Road, Fort Worth, TX 76155. Applications must be submitted to the SBA no later than January 16, 2024.