

Submitting an SBA Application May Lead to Additional Disaster Assistance

Release Date: Dec 22, 2021

A U.S. Small Business Administration (SBA) disaster loan isn't just for businesses. Applying may offer many benefits for Hurricane Ida survivors who are seeking assistance.

After you applied for disaster assistance from FEMA, you may have been contacted by the SBA. If you were asked to apply for a low-interest SBA loan, you are encouraged to do so, even if you don't currently need a loan. **Applying with the SBA assures that all available disaster assistance options remain open to you.** In fact, the SBA application may be the basis of referrals to other grant programs.

While the deadline to apply was Dec. 14, the SBA will continue to accept applications on a case-by-case basis if you can demonstrate that your application is late because of substantial causes outside of your control. When you apply, you must include a detailed letter explaining why you could not apply before the deadline. If you started, but did not finish your application before the deadline, you can still complete and submit it, but be sure to include that detailed letter explaining why you could not complete your application before the deadline.

The SBA can help renters and homeowners replace household contents (e.g., clothing, furniture and appliances) and vehicles, referred to as personal property. Homeowners and renters are eligible for up to \$40,000 to repair or replace damaged or destroyed personal property, and homeowners can apply for up to \$200,000 to repair or replace damage to their personal residence. If you apply for but are denied SBA assistance, FEMA may be able to help you instead through grants-based other needs assistance. **If you apply for but are denied SBA assistance, FEMA may be able to offer additional grant assistance. However, you must first apply for an SBA loan to be considered for personal property assistance from FEMA.**



If SBA determines you are eligible for a loan, you do not have to accept it. Nor does qualifying for an SBA loan mean you are ineligible for FEMA assistance. Similarly, if the SBA denies your loan application, you still may be eligible for additional FEMA grant assistance to meet your disaster-related needs. The SBA will refer you to FEMA if you do not qualify for an SBA loan.

SBA loans can help survivors who are uninsured or underinsured. For example, you may discover that you were underinsured for work required to repair or replace your home. An SBA low-interest disaster loan may bridge the gap between your recovery costs and the settlement amount.

With SBA disaster loans, there's no pre-pay penalty, no cost to apply, and a grace period of up to five months before you have to start paying back the loan. The bottom line is that there is no obligation for applying for an SBA loan, only potential benefits. It's important you apply as soon as possible.

The SBA has established a Virtual Disaster Loan Outreach Center that is open Monday through Friday, 7 a.m. to 7 p.m. Survivors can contact an SBA customer service representative via email at FOCWAssistance@sba.gov or by phone at 800-659-2955 for help applying. Survivors can also apply online at <https://disasterloanassistance.sba.gov> or in person at one of five Disaster Loan Outreach Centers in Louisiana.

