



Disaster Field Operations Center West

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SBA Positioned to Swiftly Assist California Businesses and Residents Affected by the Statewide Winter Storm

SACRAMENTO, Calif. – Low-interest federal disaster loans are now available to California businesses and residents as a result of President Biden’s major disaster declaration, U.S. Small Business Administration’s [Administrator Isabella Casillas Guzman](#) announced.

The declaration covers Merced, Sacramento and Santa Cruz counties as a result of severe winter storms, flooding, landslides, and mudslides that began Dec. 27, 2022.

“With President Biden's declaration, SBA is working closely with FEMA and our state and local officials on the ground to deliver expedient disaster recovery loans and support that will aid Californians impacted by these severe and devastating winter storms, flooding and mudslides,” said Administrator Guzman. “My heartfelt condolences go out to the families who have lost loved ones, and I urge affected residents to stay safe and heed the guidance of local emergency officials. As the state faces continued rainfall and heightened risks of flooding and mudslides, the SBA is committed to providing the full breadth of our resources to help small businesses and communities recover and rebuild stronger than before.”

Businesses of all sizes and private nonprofit organizations may borrow up to \$2 million to repair or replace damaged or destroyed real estate, machinery and equipment, inventory and other business assets. SBA can also lend additional funds to businesses and homeowners to help with the cost of improvements to protect, prevent or minimize the same type of disaster damage from occurring in the future.

For small businesses, small agricultural cooperatives, small businesses engaged in aquaculture and most private nonprofit organizations of any size, SBA offers Economic Injury Disaster Loans to help meet working capital needs caused by the disaster. Economic injury assistance is available to businesses regardless of any property damage.

Disaster loans up to \$200,000 are available to homeowners to repair or replace damaged or destroyed real estate. Homeowners and renters are eligible for up to \$40,000 to repair or replace damaged or destroyed personal property.

Interest rates can be as low as 3.305 percent for businesses, 2.375 percent for private nonprofit organizations and 2.313 percent for homeowners and renters with terms up to 30 years. Loan amounts and terms are set by SBA and are based on each applicant’s financial condition.

To be considered for all forms of disaster assistance, survivors must first contact the Federal Emergency Management Agency at www.disasterassistance.gov. As soon as Federal-State Disaster Recovery Centers open throughout the affected area, SBA will provide one-on-one assistance to disaster loan applicants. Additional information and details on the location of disaster recovery centers is available by calling the SBA Customer Service Center at (800) 659-2955.

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Recently, U.S. SBA Administrator Isabella Casillas Guzman [announced a policy change](#) granting 12 months of no payments and 0% interest. This pertains to all disaster loans approved in response to disasters declared on or after September 21, 2022, through September 30, 2023. This covers SBA disaster loans currently available for Hurricane Fiona and Hurricane Ian declared earlier this year. This policy change will benefit disaster survivors and help them to decrease the overall cost of recovery by reducing the amount of accrued interest they must repay. Details are available through the SBA Disaster Assistance Customer Service Center at (800) 659-2955. Individuals with verbal or hearing impairments may dial 7-1-1 to access telecommunications relay services from 8:00 a.m. to 8:00 p.m. ET, Monday to Friday, or email: disastercustomerservice@sba.gov.

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.