Understanding How Disaster Declarations Are Made

All declaration requests must come from the Governor or authorized representative. The Governor can ask for a Presidential disaster declaration or a Small Business Administration (SBA) Administrative declaration, depending upon the severity of the disaster. A Presidential declaration makes many Federal and State programs available, including SBA loans. An SBA declaration makes only SBA loans available.

SBA Administrative Declarations

If the damages are less extensive the Governor can ask for an SBA declaration. When the Governor's request for assistance is received, a survey of the damaged area(s) is conducted with State and local officials, and the results are submitted to the Administrator for a decision. When the Administrator of SBA declares an area, both primary and adjacent counties are eligible for the same assistance.

- SBA will make a physical disaster declaration when:

  At least 25 homes (primary residences) and/or businesses in a county have uninsured losses of 40% or more of their estimated fair replacement value (Secondary homes, condominium units, cabins, camps, lake homes, etc., used for recreational purposes are not included in the count.)

  or

  At least three (3) businesses have uninsured loss of 40% or more of their estimated fair replacement value and, as a direct result of the damages, 25% of the work force in the community would be unemployed for at least 90 days.

- SBA will make an economic injury disaster declaration when:

  A Governor certifies that at least 5 small businesses in a disaster area have suffered substantial economic injury as a result of the disaster and are in need of financial assistance not otherwise available on reasonable terms,