



SBA ECONOMIC INJURY DISASTER LOANS (EIDL)

SBA's EIDL program provides small businesses with working capital loans of up to \$2 million to cover temporary losses suffered as a result of COVID-19. Typically, a disaster must be declared in a specific state or area in order for small businesses to access EIDLs. However, in response to the COVID-19 pandemic, SBA has announced that small business owners in all 50 states, Washington, D.C., and territories are eligible to apply for EIDLs. In addition, a loan advance of up to \$10,000 is available to borrowers and can be forgiven if spent on paid leave, maintaining payroll, increased costs due to supply chain disruption, mortgage or lease payments, or repaying obligations that cannot be met due to revenue losses. Loan advances should be available within 3-4 days of successful application.

Eligibility:

- Sole proprietorships, independent contractors, tribal small businesses, non-profits, cooperatives, and employee-owned businesses that have 500 or fewer employees
- Recipients must have been in operation on January 31, 2020

Key Provisions:

- Maximum loan amount of \$2 million
- The loans may be used to pay fixed debts, payroll, accounts payable, and other bills that cannot be paid because of the disaster's impact.
- The interest rate is 3.75% for small businesses and 2.75% for non-profits
- The first payment will be deferred and not become due until one year after the original disbursement. Interest does accrue during this time.
- The term of the loan will not exceed 30 years.
- Loans can be made based solely on credit scores.
- Loans below \$200,000 can be approved without a personal guarantee.

The loan application can be found [here](#).

Sources and Additional Information:

<https://www.sba.gov/page/coronavirus-covid-19-small-business-guidance-loan-resources>

<https://www.gachamber.com/wp-content/uploads/2020/03/SBA-Emergency-Loans-.pdf>

<https://www.gachamber.com/wp-content/uploads/2020/03/Federal-Stimulus-Package-Phase-1-3-final.pdf>

<https://www.sba.gov/funding-programs/loans>

<https://www.sba.gov/local-assistance>