



TOPLINES

- SBA will provide disaster assistance loans to those affected states or territories whose small businesses are impacted by the consequences of the Coronavirus. Once a Governor makes a formal request to SBA certifying that at least five small businesses in a state/territory have suffered substantial economic injury as a result of the Coronavirus, the SBA will quickly review the request and the Administrator will issue an Economic Injury Disaster Loan declaration that covers the entire state/territory. The declaration initiates the Agency's application process to provide a small business within a state or territory an Economic Injury Disaster Loan of up to \$2 million. (See page 2)
 - These loans can provide vital economic assistance to small businesses to help overcome the temporary loss of revenue they are experiencing.
 - Find more information on the SBA's Economic Injury Disaster Loans at: [SBA.gov/Disaster](https://www.sba.gov/disaster).
- SBA continues to assist small businesses with accessing federal resources, such as working capital loans and counseling, and navigating their preparedness plans through our network of 68 District Offices and numerous Resource Partners located around the country.
 - Find more information on the SBA's available resources at: [SBA.gov/Coronavirus](https://www.sba.gov/coronavirus). (See page 4)
 - When faced with a business need, use the [SBA's Local Assistance Directory](#) to locate the office nearest you.
- Small businesses are encouraged to do their part to keep their employees, customers and themselves healthy. The Centers for Disease Control and Prevention (CDC) offers the [most up-to-date information on COVID-19](#), as well as [Guidance for Businesses and Employers to Plan and Respond](#).
- SBA is fully dedicated to taking every measure possible to support small business recovery. All federal agencies are working together to protect public health.



SBA Disaster Assistance in Response to the Coronavirus

- The U.S. Small Business Administration is offering designated states and territories low-interest federal disaster loans for working capital to small businesses suffering substantial economic injury as a result of the Coronavirus (COVID-19). Upon a request received from a state's or territory's Governor, SBA will issue under its own authority, as provided by the Coronavirus Preparedness and Response Supplemental Appropriations Act that was recently signed by the President, an Economic Injury Disaster Loan declaration.
- Any such Economic Injury Disaster Loan assistance declaration issued by the SBA makes loans available **statewide** to small businesses and private, non-profit organizations to help alleviate economic injury caused by the Coronavirus (COVID-19). This will apply to current and future disaster assistance declarations related to Coronavirus.
- SBA's Office of Disaster Assistance will coordinate with the state's or territory's Governor to submit the request for Economic Injury Disaster Loan assistance.
- Once a declaration is made, the information on the application process for Economic Injury Disaster Loan assistance will be made available to affected small businesses within the state.
- SBA's Economic Injury Disaster Loans offer up to \$2 million in assistance per small business and can provide vital economic support to small businesses to help overcome the temporary loss of revenue they are experiencing.
- These loans may be used to pay fixed debts, payroll, accounts payable and other bills that can't be paid because of the disaster's impact. The interest rate is 3.75% for small businesses. The interest rate for non-profits is 2.75%.
- SBA offers loans with long-term repayments in order to keep payments affordable, up to a maximum of 30 years. Terms are determined on a case-by-case basis, based upon each borrower's ability to repay.
- SBA's Economic Injury Disaster Loans are just one piece of the expanded focus of the federal government's coordinated response, and the SBA is strongly committed to providing the most effective and customer-focused response possible.
- For additional information, please visit [SBA.gov/disaster](https://www.sba.gov/disaster).
- For questions, please contact the SBA disaster assistance customer service center at 1-800-659-2955 (TTY: 1-800-877-8339) or e-mail disastercustomerservice@sba.gov.



Background on Economic Injury Disaster Loan:

- In order for SBA to make an Economic Injury Disaster Loan (EIDL) declaration, a Governor must make a written request to SBA's Office of Disaster Assistance certifying that at least five small businesses within the state/territory have suffered substantial economic injury as a result of the coronavirus (COVID-19), regardless of where those businesses are located in the state/territory.
- SBA's Office of Disaster Assistance administers the Disaster Loan Program. SBA's Disaster Field Operations Centers East in Atlanta, GA will coordinate with Governors in Federal Regions I-V to submit a request for an EIDL declaration. SBA's Field Operations Center West in Sacramento, CA will coordinate with Governors in Federal Regions VI-X.
- Once SBA makes an EIDL declaration in response to a Governor's request, small businesses in the declared state/territory will be able to apply online for EIDL assistance at [SBA.gov/disaster](https://www.sba.gov/disaster).
- SBA can provide up to \$2 million in EIDL assistance to help a small business meet financial obligations and operating expenses that could have been met had the disaster not occurred. Eligible applicants include: small businesses, small agricultural cooperatives, small aquaculture enterprises, and private, non-profit organizations. With limited exceptions, agricultural enterprises are not eligible for any SBA disaster loans.
- SBA offers loans with long-term repayments in order to keep payments affordable, up to a maximum of 30 years. Terms are determined on a case-by-case basis, based upon each borrower's ability to repay. Upon disbursement of the loan, the borrower has up to 12 months to make the first payment.
- The interest rate is 3.75% for small businesses. The interest rate for non-profits is 2.75%.
- All loans over \$25,000 must be secured with available collateral. SBA will not decline a loan if you do not have enough collateral as long as it is reasonably sure you can repay your loan.
- For additional information, please contact the SBA disaster assistance customer service center. Call 1-800-659-2955 (TTY: 1-800-877-8339) or e-mail disastercustomerservice@sba.gov.
- Visit [SBA.gov/disaster](https://www.sba.gov/disaster) for more information.



Additional Available SBA Products and Services

SBA is here to assist small businesses with accessing federal resources and navigating their own preparedness plans as described by the [CDC's Guidance for Businesses and Employers](#).

SBA works with a number of local partners to counsel, mentor and train small businesses. The SBA has 68 District Offices, as well as support provided by its Resource Partners, such as SCORE offices, Women's Business Centers, Small Business Development Centers and Veterans Business Outreach Centers. When faced with a business need, use the [SBA's Local Assistance Directory](#) to locate the office nearest you.

Access to Capital

SBA provides a number of loan resources for small businesses to utilize when operating their business. For more information on loans or how to connect with a lender, visit: <https://www.sba.gov/funding-programs/loans>.

How to get access to lending partners? SBA has developed [Lender Match](#), a free online referral tool that connects small businesses with participating SBA-approved lenders within 48 hours.

- **7(a) program** offers loan amounts up to \$5,000,000 and is an all-inclusive loan program deployed by lending partners for eligible small businesses within the United States and its territories. The uses of proceeds include: working capital; expansion/renovation; new construction; purchase of land or buildings; purchase of equipment, fixtures; lease-hold improvements; refinancing debt for compelling reasons; seasonal line of credit; inventory; or starting a business.
- **Express** loan program provides loans up to \$350,000 that may be used by small businesses for revolving lines of credit. There is a turnaround time of 36 hours for approval or denial of a completed application. The uses of proceeds are the same as the standard 7(a) loan.
- **Community Advantage** loan pilot program allows mission-based lenders to assist small businesses in underserved markets with a maximum loan size of \$250,000. The uses of proceeds are the same as the standard 7(a) loan.
- **504** loan program is designed to foster economic development and job creation and/or retention. The eligible use of proceeds is limited to the acquisition or eligible refinance of fixed assets.
- **Microloan** program involves making loans through nonprofit lending organizations. Authorized use of loan proceeds includes working capital, supplies, machinery & equipment, and fixtures. The maximum loan amount is \$50,000 with the average loan size of \$14,000.

Exporting Assistance

SBA provides export loans to help small businesses achieve sales through exports and can help these businesses respond to opportunities and challenges associated with trade, such as COVID-19. The loans are available to U.S. small businesses that export directly overseas, or those that export indirectly by selling to a customer that then exports their products.



- **Export Express** loan program allows access to capital quickly for businesses that need financing up to \$500,000. Businesses can apply for a line of credit or term note prior to finalizing an export sale or while pursuing opportunities overseas, such as identifying a new overseas customer should an export sale be lost due to COVID-19.
- **Export Working Capital** program enables small businesses to fulfill export orders and finance international sales by providing revolving lines of credit or transaction-based financing of up to \$5 million. Businesses could use a loan to obtain or retain overseas customers by offering attractive payment terms.
- **International Trade** loan program helps small businesses engaged in international trade to retool or expand to better compete and react to changing business conditions. It can also help exporting firms to expand their sales to new markets or to re-shore operations back to the U.S.

Government Contracting

SBA is focused on assisting with the continuity of operations for small business contracting programs and small businesses with federal contracts. For more information on federal contracting, visit <https://www.sba.gov/federal-contracting/contracting-guide>

More specifically:

- **8(a) Business Development** program serves to help provide a level playing field for small businesses owned by socially and economically disadvantaged people or entities, and the government limits competition for certain contracts to businesses that participate. The 8(a) program offer and acceptance process is available nationwide, and the SBA continues to work with federal agencies to ensure maximum practicable opportunity to small businesses. 8(a) program participants should stay in touch with their Business Opportunity Specialist (BOS).
- **HUBZone** program offers eligibility assistance every Thursday from 2:00-3:00 p.m. ET at 1-202-765-1264; access code 63068189#. Members of the HUBZone team answer questions to help firms navigate the certification process. For specific questions regarding an application, please contact the HUBZone Help Desk at hubzone@sba.gov.
- **Women-owned Small Business** firms who have questions, please visit www.sba.gov/wosbreadly or write to wosb@sba.gov.

It is extremely important that the small business contractor communicate with the Contracting Officer regarding the impact of the Coronavirus on the ability of the business to perform on the contract. If the business is a subcontractor to a Prime contractor on a federal procurement, the business must communicate to the Prime contractor issues or concerns with deliverables due to the Coronavirus. The SBA's Procurement Center Representatives can assist affected small businesses to engage with their contracting officer. Use the [Procurement Center Representative Directory](#) to connect with the representative nearest you.