



U.S. Small Business  
Administration



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**Please note, information is updated rapidly as CARES Act passage authorizes SBA to create new programs. This information is current as of 4/8/20. Please check [SBA.gov/coronavirus](https://www.sba.gov/coronavirus) for the most up-to-date information.**

# Financial Assistance Available

For small business affected by COVID-19 (as of 3/31/20)

- Debt Deferment or Relief:
  - Automatically deferring payments on existing disaster loans thru 12/31/20
  - Existing 7(a), 504 and microloans can be deferred – talk to your lender
  - SBA Debt Relief Program
    - The SBA will also pay the principal and interest of **new 7(a) loans** issued prior to September 27, 2020.
    - The SBA will pay the principal and interest of **current 7(a) loans** for a period of six months.
- Regular 7(a) program
  - Express Bridge Loan - \$25,000
- Paycheck Protection Program – Available now, availability is expanding daily
- Economic Injury Disaster Loan
  - EIDL Advance of up to \$10,000

# Paycheck Protection Program

- Loan provided by participating lenders to pay up to 8 weeks of payroll costs, including benefits. Funds may pay interest on mortgage, rent and utilities
- Payroll costs include:
  - Salary/wages/commissions/tips (cap: \$100,000 annualized/employee)
  - Employee benefits such as vacation/sick leave, health care benefits, insurance premiums and retirement benefits
  - State and local taxes assessed on compensation
- Purpose is to keep employees on the payroll or rehire quickly
- Loan will be forgiven if used for payroll expenses – not more than 25% of costs may be for mortgage interest, rent/utilities.
- Available: retroactive from Feb. 15, 2020, so employers can rehire their recently laid-off employees through June 30, 2020.

# Paycheck Protection Program

## Updates

- Availability from lenders
- Funding timelines
- Sole proprietors, 1099, self-employed applications accepted starting 04/10
- How to calculate payroll
- Where guidance is released: [home.treasury.gov/cares](https://home.treasury.gov/cares)
- Overall Program availability (additional funding being sought in congress)

# PPP Details

- Eligible businesses: All small businesses, including non-profits, Veterans organizations, Tribal concerns, sole proprietorships, self-employed individuals, and independent contractors
- Maximum loan: \$10 million
- Interest Rate: 1% (subject to change)
- Term: 2 years
- Payment deferral for 6 months
- 100% guarantee by SBA
- No collateral
- No personal guarantee
- No borrower or lender fees payable to SBA
- Find a PPP lender: <https://www.sba.gov/paycheckprotection/find>

# Economic Injury Disaster Loan (EIDL)

## What is it?

- Low-interest loan for working capital to small business suffering economic injury as a result of COVID-19
- Max loan size \$2 million
- Pay for financial obligations and operating expenses which could have paid had the disaster not occurred
  - Includes: Fixed expenses, rent, payroll, accounts payable, extraordinary expenses incurred due to disaster
  - Does not include: refinancing long-term debt
- Disaster loan provided directly by SBA
- This is not a 7(a) loan
  - Does not have same criteria as 7(a)

# The Details

- Credit Requirements
  - Credit history
  - Repayment ability (over 30 years)
  - Collateral
- Collateral
  - Loans under \$25,000 – no collateral
  - Loans over \$25,000 – pledge available collateral. SBA will not decline a loan for lack of collateral
- Interest Rates
  - Small businesses 3.75%
  - Non-profits 2.75%
- Loan Term– max 30 years. 15 or 30 years is typical



# Eligibility

## Who is eligible to apply for EIDL?

- Small Businesses – meet SBA size standards
  - Small agricultural cooperatives
  - Small aquaculture businesses
- Private Non-profits
- Located in a declared area
- Independently owned and operated
  - Substantial business risk
  - Free from significant control

# Ineligible Businesses/Activities

What businesses are not eligible for EIDL?

- Gambling concerns
- Illegal activities
- Owner delinquent on child support obligations
- Farms (other than agcoops, aquaculture, nursery)
- Religious organizations – religious activities
- State/Local Government
- Lobbying
- Concerns engaged in sale of products/services of prurient sexual nature

# Additional Support

- Small Business Development Center network has received additional funding to support business owners with recovery, applications, and assistance.
- State of California Programs to support business owners are launching and being updated frequently – [business.ca.gov/coronavirus](https://business.ca.gov/coronavirus)



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# The Application Process

- Apply online <https://covid19relief.sba.gov/#/>
- Complete application
- SBA processes the application
  - EIDL Advance of up to \$10,000 within days
- Loan closed –SBA will send borrower loan docs
- Funds disbursed
- Repayment can be deferred



OMB Control #3247-0406  
Expiration Date: 09/30/2020

## Disaster Loan Assistance

Federal Disaster Loans for Businesses, Private Non-profits, Homeowners and Renters

### COVID-19 ECONOMIC INJURY DISASTER LOAN APPLICATION

The screenshot displays the application process flow and requirements. At the top, a progress bar shows five steps: DISCLOSURES, BUSINESS INFORMATION, BUSINESS OWNERS INFORMATION, ADDITIONAL INFORMATION, and SUMMARY. Below this, the section titled "STREAMLINED PROCESS REQUIREMENTS" contains the following text:

SBA is collecting the requested information in order to make a loan under SBA's Economic Injury Disaster Loan Program to the qualified entities listed in this application that are impacted by the Coronavirus (COVID-19). The information will be used in determining whether the applicant is eligible for an economic injury loan. If you do not submit all the information requested, your loan cannot be fully processed.

The Applicant understands that the SBA is relying upon the self-certifications contained in this application to verify that the Applicant is an eligible entity to receive the advance, and that the Applicant is providing this self-certification under penalty of perjury pursuant to 28 U.S.C. 1746 for verification purposes.

The estimated time for completing this entire application is two hours and ten minutes, although you may not need to complete all parts. You are not required to respond to this collection of information unless it displays a currently valid OMB approval number.

Below the requirements, the section "ELIGIBLE ENTITY VERIFICATION" is visible.

# EIDL Application-Eligibility Questions

## ELIGIBLE ENTITY VERIFICATION

### Choose One:

- Applicant is a business with not more than 500 employees.
- Applicant is an individual who operates under a sole proprietorship, with or without employees, or as an independent contractor.
- Applicant is a cooperative with not more than 500 employees.
- Applicant is an Employee Stock Ownership Plan (ESOP), as defined in 15 U.S.C. 632, with not more than 500 employees.
- Applicant is a tribal small business concern, as described in 15 U.S.C. 657a(b)(2)(C), with not more than 500 employees.
- Applicant is a business, including an agricultural cooperative, aquaculture enterprise, nursery, or producer cooperative, that is small under SBA Size Standards found at <https://www.sba.gov/size-standards>.
- Applicant is a business with more than 500 employees that is small under SBA Size Standards found at <https://www.sba.gov/size-standards>.
- Applicant is a private non-profit organization that is a non-governmental agency or entity that currently has an effective ruling letter from the IRS granting tax exemption under sections 501(c),(d), or (e) of the Internal Revenue Code of 1954, or satisfactory evidence from the State that the non-revenue producing organization or entity is a non-profit one organized or doing business under State law, or a faith-based organization.

### Review and Check All of the Following:

Applicant must review and check all the following (If Applicant is unable to check all of the following, Applicant is not an Eligible Entity):

- Applicant is not engaged in any illegal activity (as defined by Federal guidelines).
- No principal of the Applicant with a 50 percent or greater ownership interest is more than sixty (60) days delinquent on child support obligations.
- Applicant is not an agricultural enterprise (e.g., farm), other than an aquaculture enterprise, agricultural cooperative, or nursery.

# EIDL Application-Eligibility Questions

Cont'd

**Review and Check All of the Following:**

Applicant must review and check all the following (If Applicant is unable to check all of the following, Applicant is not an Eligible Entity):

- Applicant is not engaged in any illegal activity (as defined by Federal guidelines).
- No principal of the Applicant with a 50 percent or greater ownership interest is more than sixty (60) days delinquent on child support obligations.
- Applicant is not an agricultural enterprise (e.g., farm), other than an aquaculture enterprise, agricultural cooperative, or nursery.
- Applicant does not present live performances of a prurient sexual nature or derive directly or indirectly more than de minimis gross revenue through the sale of products or services, or the presentation of any depictions or displays, of a prurient sexual nature.
- Applicant does not derive more than one-third of gross annual revenue from legal gambling activities.
- Applicant is not in the business of lobbying.
- Applicant cannot be a state, local, or municipal government entity and cannot be a member of Congress.

If you have questions about this application or problems providing the required information, please contact our Customer Service Center at 1-800-659-2955 or (TTY: 1-800-877-8339) [DisasterCustomerService@sba.gov](mailto:DisasterCustomerService@sba.gov).

Continue >

# EIDL Application

## Disaster Loan Assistance

Federal Disaster Loans for Businesses, Private Non-profits, Homeowners and Renters

### COVID-19 ECONOMIC INJURY DISASTER LOAN APPLICATION

DISCLOSURES   BUSINESS INFORMATION   BUSINESS OWNERS INFORMATION   ADDITIONAL INFORMATION   SUMMARY

Step 1 of 3

### Business Information

**Business Legal Name \***

**Trade Name \***

**EIN/SSN for Sole Proprietorship \***

**Organization Type\***

**Is the Applicant a Non-Profit Organization? \***

Yes  No

**Is the Applicant a Franchise? \***

Yes  No

**Gross Revenues for the Twelve(12) Month Prior to the Date of the Disaster (January 31, 2020) \***

**Cost of Goods Sold for the Twelve(12) Month Prior to the Date of the Disaster (January 31, 2020) \***

**Rental Properties (Residential and Commercial) Only - Lost Rents Due to the Disaster**



# SBA is OPEN for Business

- District Office teams are assisting people by phone and email as are our resource partners. Contact San Francisco District Office at [SFOMail@sba.gov](mailto:SFOMail@sba.gov)
- Our Resource Partners, SBDC, SCORE, WBC, VBOC, are ready to help with free business advising.
- Webinars: to find out when and where, sign up for our newsletter and we will push info to you as it becomes available
- SFDO Newsletter – sign up to have the latest information pushed to you.
  - Sign up: <https://www.sba.gov/ca/sf>
- [SBA.gov/coronavirus](https://www.sba.gov/coronavirus): contains latest program information
- Follow us on Twitter: @SBAgov and @SBA\_SF

# Resources

- SBA Disaster Loan Application
  - <https://covid19relief.sba.gov/#/>
- SBA's Customer Service Center (for Disaster Loans)
  - 1-800-659-2955 / 1-800-877-8339 (TTY)
  - Email: [disastercustomerservice@sba.gov](mailto:disastercustomerservice@sba.gov)
- Paycheck Protection Plan
  - <https://www.sba.gov/page/coronavirus-covid-19-small-business-guidance-loan-resources>
  - <https://home.treasury.gov/policy-issues/top-priorities/cares-act/assistance-for-small-businesses>
- SBA San Francisco District Office
  - [www.sba.gov/ca/sf](http://www.sba.gov/ca/sf)
  - [SFOMail@sba.gov](mailto:SFOMail@sba.gov)
  - (415) 744-6820 – leave message
- SF Resource Guide – Lists local resource partners/SBA lenders
  - [https://www.sba.gov/sites/default/files/files/resourceguide\\_3102.pdf](https://www.sba.gov/sites/default/files/files/resourceguide_3102.pdf)