

Coronavirus (COVID-19): Small Business Guidance & Loan Resources

What is the Paycheck Protection Program?

The Paycheck Protection Program is a loan designed to provide a direct incentive for small businesses to keep their workers on the payroll. SBA will forgive loans if all employees are kept on the payroll for eight weeks and the money is used for payroll, rent, mortgage interest, or utilities. This loan has a maturity of 2 years and an interest rate of .5%. The Paycheck Protection Program will be available through June 30, 2020.

How do I apply for the PPP?

Businesses can apply through any existing SBA 7(a) lender and other regulated lenders that are approved and enrolled in the program. Businesses should consult with their local lender as to whether it is participating in the program.

Businesses can access [Application Form](#) to submit to their lender. **Lenders may begin processing loan applications as soon as April 3, 2020.**

For more information, visit U.S. Department of Treasury [Fact Sheets](#) (3/31/20)

What is the [Economic Injury Disaster Loans and Loan Advance](#)?

In response to the Coronavirus (COVID-19) pandemic, small business owners are eligible to apply for an Economic Injury Disaster Loan advance of up to \$10,000 through the **U.S. Small Business Administration (SBA)**. The SBA encourages all small businesses to apply.

The Economic Injury Disaster Loan (EIDL) program is SBA's existing disaster loan program. SBA is continuing to streamline and extend more latitude to get EIDL loan funds into the hands of businesses that need it to survive.

What is the new EIDL \$10,000 Loan Advance?

This is a new feature added to the EIDL on March 30, which provides a \$10,000 advance which will not have to be repaid. The EIDL Advance may be available even if an EIDL application was declined or is still pending. If you applied for EIDL before March 30, you need to apply again and request the Advance as explained below; applying for the Advance will not impact the status or slow your existing application.

Applying for EIDL at <https://covid19relief.sba.gov/#/>. This improved portal allows new applicants to apply for both an EIDL loan and \$10,000 Advance.

- **If you have already applied for EIDL.** If you were successful in submitting an EIDL application last week, be patient. SBA will be contacting all applicants who completed their application to gather any additional information that may be needed, and you will be asked if you want to apply for the \$10,000 advance that was not available last week. Your applications are being processed on a first-come, first-serve basis, and when you are asked to update your application, you will not lose your position in the application queue.
- **If you applied for EIDL and were denied.** SBA is reviewing its past EIDL application denials with an eye to offering greater latitude. SBA now expects to be able to approve many of the applications that were initially denied.

If you are interested in the PPP, it is recommended that you contact your local SBA Lender. The PPP will be administered through an approved SBA 7(a) lender, while the EIDL is to be applied for directly with the SBA.

If you need assistance in determining which loan to apply for and how to prepare to apply, contact the **SBA national hotline: 1-800-659-2955**

For a comprehensive resource to help you orient yourself to the full CARES Act: Families First: COVID-19 Toolkit, pages 4-6.