



SBA – Status of Availability

Answer: “The health and safety of our employees is our number one priority. SBA has deployed technology solutions to assist small businesses with any of their needs while also ensuring the safety of our staff and adhering to the CDC guidelines.”

General: Economic Injury Disaster Loans

How can I get information on SBA’s disaster loan program?

Answer: Small businesses can visit our website at sba.gov/disaster, call us at (800) 659-2955 (TTY: 1-800-877-8339) or email disastercustomerservice@sba.gov. The call center is open Monday – Sunday, 8a.m. – 8p.m. ET.

When can I apply for an economic injury disaster loan?

Answer: Once the state or territory has an official declaration, a business owner can access the application online at sba.gov/disaster.

How do I apply for an Economic Injury Disaster Loan?

Answer: Visit SBA at sba.gov/disaster and apply online using SBA’s Electronic Loan Application.

I have questions about the application, is there someone I can speak with to help me?

Answer: Yes. Please contact our disaster assistance customer service center at 1-800-659-2955 (TTY: 1-800-877-8339) or e-mail disastercustomerservice@sba.gov. The call center is open Monday – Sunday, 8a.m. – 8p.m. ET.

What documents will I need to submit my application?

Answer: Depending on a small businesses specific situation, we may need different documentation to capture the business’s information, liabilities, and other relevant financial information. Examples of the type of documents you may be asked for are: signed and completed SBA application form 5, an IRS Tax Authorization, copies of your most recent federal tax return, a personal financial statement and a schedule of liabilities.

How much can I borrow?

Answer: The maximum loan amount is up to \$2 million. The loan amount is based on the working capital needs caused by the coronavirus so the business can meet its ongoing obligations.

What are the terms of the Economic Injury Disaster Loan?

Answer: The interest rate is 3.75 percent for small businesses and 2.75 percent for private nonprofit organizations with terms up to 30 years. Loan amounts and terms are set by SBA and are based on each applicant’s financial condition.

How long will it take to know if I am approved for a loan?

Answer: We are processing applications as soon as possible. Some are even processed as fast as within a few days.



Does SBA have any grants available to small businesses?

Answer: No. Our disaster assistance is in the form of federal low-interest, long term loans.

Does SBA require collateral?

Answer: It's important to note that for the first \$25,000, no collateral is required. Over \$25,000, you may be required to pledge available collateral.

Can SBA refinance my loans or mortgages?

Answer: SBA economic injury disaster loan funds cannot be used to refinance pre-existing debt.

What can I use the SBA Economic Injury Disaster Loan for?

Answer: Economic Injury Disaster Loans may be used to pay fixed debts, payroll, accounts payable and other bills that cannot be paid because of the disaster's impact.

General: SBA's Role to Provide Guidance and Assistance to Small Businesses Affected by Coronavirus

Every state/territory is impacted with cases of confirmed Coronavirus, including this one. Does the federal government have the workforce to deal with this and all those affected?

Answer: With the national emergency declaration, the federal government is leveraging all its power and has taken decisive action to ensure state/territory, local, and tribal leaders have the resources they need to provide protective measures for their communities and limit the spread of COVID-19 in the U.S. The collective resources for this can be found at usa.gov/coronavirus or en Español, gobierno.usa.gov/coronavirus. SBA is focused on providing assistance to small businesses impacted by this health emergency with Economic Injury Disaster Loans, counseling, mentoring, and preparedness services across the country.

Does the SBA have a seat on the federal coronavirus task force?

Answer: All federal agencies are working together in a whole-of-government approach to protect public health, including SBA. The agency is focused on providing assistance to small businesses impacted by this health emergency with Economic Injury Disaster Loans, counseling, mentoring, and preparedness services across the country.

The President mentioned he wanted to limit the damage to people and our country; how is SBA helping to limit the damage to small businesses?

Answer: SBA is offering Economic Injury Disaster Loans of up to \$2 million per small business, in addition to accessing other loan resources for working capital and offering all of our counseling, mentoring, and preparedness services across the country. Information on these resources can all be found at SBA.gov/Coronavirus.

How long should businesses be prepared to deal with this?

Answer: That's a question best asked of health care experts. SBA has a lot of experience in supporting communities and businesses after major disasters. One universal lesson we've seen across the



country is that recovery from major disasters is a marathon, not a sprint, and SBA is here for the long-term. What I can tell you is that not only is SBA offering loans to help small businesses, but all of our products and services are available to help businesses at each step. For more information on SBA's products and resources for small businesses, visit [SBA.gov/Coronavirus](https://www.sba.gov/coronavirus).

Why are only loans available and not grants? A loan won't help a small business stay afloat for an extended period of time with no customers.

Answer: 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. SBA offers loans with reasonable terms, including long-term repayments (up to a maximum of 30 years), in order to keep payments affordable. Terms are determined on a case-by-case basis, based upon each borrower's ability to repay. 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. Small businesses can also receive counseling assistance throughout the country – SBA's 68 District Offices, as well as our Resource Centers, including Small Business Development Centers, Women's Business Centers, SCORE volunteers and Veterans Business Outreach Centers.

What are you hearing from local small business owners? Are they scared and/or do they think they will be able to survive this national emergency?

Answer: Everyone is in this together. This is unprecedented in modern history. Small businesses are the heartbeat of our communities. As they deal with this crisis, they continue to do what they can to help their community, and SBA will continue to assist small businesses with emergency loans and business counseling as we have for the last 67 years. Small business owners are one of the most resilient and determined groups in America, often overcoming significant challenges and adversity to open thriving businesses.

For those that are calling, what industries are reporting the most difficulty?

Answer: SBA has received calls from concerned business owners from a broad spectrum of industries, including retail, travel and tourism, and manufacturing.

How much money is SBA able to allocate for financial assistance for small businesses and non-profits? Is there a state limit?

Answer: SBA is available to assist small businesses across the nation and does not have a total cap on the number of loans the agency is able to make. There is no state or territory limit on the number of loans or the total amount of the loans combined. A small business can get a loan up to \$2 million to assist with economic recovery, and there are other access to capital programs available to help as well. Information can be found at [SBA.gov](https://www.sba.gov).

What is your office doing to help small businesses, and how are you reaching out to them? Setting up webinars, working with other offices, training partners, hosting phone office hours?

Answer: We are respecting the state/territory and local guidelines set for the public and adjusting operations to meet those needs and the needs of local small businesses. SBA has staff located across the country who are all reachable by phone and email. They have helped small businesses in their community start and grow. Our local SBA office is part of the community and is committed to work with small businesses for the long haul.



In addition, SBA's Office of Disaster Assistance is working in close coordination with our 68 District Offices across the nation as well as several hundred resource partners, including Small Business Development Centers, SCORE mentor chapters, Women's Business Centers, Veteran Business Outreach Centers nationwide.

There's a lot of variance in response on how to protect yourself against the Coronavirus (COVID-19). What does SBA recommend as appropriate standards to protect themselves and their businesses.

Answer: That question is best answered by medical professionals. Please visit the CDC's website at [Coronavirus.gov](https://www.cdc.gov/coronavirus). SBA is here to respond to small businesses with any assistance they need.

Is our economy in trouble?

Answer: Right now, SBA is focused on helping as many small businesses as possible through emergency loans, counseling, or preparedness planning. The President's bold decision to reduce public health barriers and partner up the public and private sectors — including leaders in science, medicine, transportation, finance and business — will help save lives and reduce economic disruptions in every community. SBA is strongly committed to providing the most effective and customer-focused response possible to support small businesses that have incurred substantial economic loss as a result of the outbreak. For more information on SBA's products and resources for small businesses, visit [SBA.gov/Coronavirus](https://www.sba.gov/coronavirus).

Since the Federal Reserve lowered its target for the federal funds rate to nearly 0% recently, why is it that the SBA EIDL rate set to 3.75%? Aren't these direct loans from SBA? What entity is making the 3.75% interest? Is it possible that the interest rate will be lowered soon?

Answer: Disaster loan interest rates are a statutory formula that is calculated quarterly and based on the Treasury Department's rates. The interest rates are currently set at 3.75%.

Disaster Declaration-related

What is meant by a disaster declaration, and what are the steps for a state to get that?

Answer: SBA has worked with every state to provide a statewide disaster declaration status. In order for SBA to provide Economic Injury Disaster Loans to small businesses as a result of coronavirus, a Governor must submit a written request to SBA for an Economic Injury Disaster Loan declaration.

How long will this declaration last?

Answer: SBA's declaration itself (application period) for providing Economic Injury Disaster Loans typically lasts nine months; however, SBA can extend the application deadline, as it is understood this is still an ongoing event (versus a tornado, flood or the like).



Once the state has an SBA declaration, how does a small business apply for an EIDL?

Answer: Applications are available online at [SBA.gov/disaster](https://www.sba.gov/disaster). For questions, the disaster assistance call center is reachable by phone at 1-800-659-2955 (TTY: 1-800-877-8339) or e-mail disastercustomerservice@sba.gov. The call center is open Monday – Sunday, 8a.m. – 8p.m. ET.

Economic Injury Disaster Loan-related

What banks are authorized to offer these economic injury disaster loans?

Answer: SBA offers direct loans through its Economic Injury Disaster Loan program. Traditional SBA-backed loans are still available via banks as well. To find an SBA-approved lender, visit [sba.gov/lendermatch](https://www.sba.gov/lendermatch).

With the social distancing recommendations and closures, how will SBA’s Disaster team help small business owners get their loan applications in and processed?

Answer: In this case, all applications and processing will be done online/virtually. The Disaster Assistance Call Center is available to answer questions from small businesses by phone: 1-800-659-2955 (TTY: 1-800-877-8339) or e-mail: disastercustomerservice@sba.gov. The call center is open Monday – Sunday, 8a.m. – 8p.m. ET. Additionally, our resource partners and our local SBA staff are still available in your local community to help answer the questions. You can find them at [sba.gov/local-assistance](https://www.sba.gov/local-assistance).

Do you have statistics of other Economic Injury Disaster Loans, especially during national emergencies? What was the average time, amount, type of business/industry that applied and how many couldn’t repay?

Answer: This is an unprecedented response and the first time in SBA’s history that we have the authority to issue a declaration due to a virus.

Our nation now has a declared national emergency; why is the funding only for no-credit elsewhere firms?

Answer: Currently, SBA is limited by statute to only provide loans to small businesses that do not have access to credit elsewhere.

I understand \$2M is the limit a small business can get. Is this enough to keep them afloat?

Answer: Every small business is unique, and SBA’s Economic Injury Disaster Loans are available to be used to pay fixed debts, payroll, accounts payable, and other bills that can’t be paid because of the disaster’s impact.

How does a business define an impact and/or loss for this? Is there a percentage, dollar amount, etc.?

Answer: A business needs to define its loss in comparison to its 2019 operations/financials. Losses will be compared to the effective incident period starting on January 31, 2020. Just a loss needs to be reported; there is no threshold of a percentage or dollar amount.

Loan process:



Step One: Apply for Loan – [SBA.gov/Disaster](https://www.sba.gov/disaster) and click on Apply for Assistance.

Step Two: Loan Processing Decision Made – An SBA loan officer works with the small business to provide all the necessary information needed to reach a loan determination.

Step Three: Loan Closed and Funds Disbursed – Once SBA receives the small businesses signed Loan Closing Documents, an initial disbursement will be made within days.

For an Economic Injury Disaster Loan, what are the business obligations, and what is looked at for underwriting?

Answer: When processing a loan request, SBA evaluates three main areas: 1) eligibility; 2) satisfactory credit; and 3) repayment ability. Economic injury disaster loan funds provide working capital to cover normal business obligations and necessary operating expenses.

These businesses don't know how long this is going to last; what is the potential for them defaulting on the Economic Injury Disaster Loan?

Answer: When it comes to disaster recovery, there is always a degree of uncertainty for how long it may take for regular business activity to resume. For this reason, in response to coronavirus (COVID-19), SBA is granting small businesses a one-year deferment period before they are required to start making payments on their economic injury disaster loan.

What is a business to do if it doesn't qualify for an Economic Injury Disaster Loan? What are banks doing to help too?

Answer: Traditional SBA-backed loans are still available via banks as well. To find an SBA-approved lender, visit [sba.gov/lendermatch](https://www.sba.gov/lendermatch).

Business Operations Continuity-related

If a business currently has an SBA-backed loan and it fears it will not be able to make the payments, what course of action should it take?

Answer: SBA is granting small businesses who receive an Economic Injury Disaster Loan a one-year deferment period before they are required to start making payments. Small businesses with other SBA-backed loans should first talk to their SBA lender about potential deferments of loan payments.

What are some things businesses can do to prepare and/or stay afloat? Are you seeing any innovative/creative strategies/solutions they're using?

Answer: Small businesses could explore obtaining revolving lines of credit if they are experiencing capital challenges. SBA's Express Loan Program can be used for this purpose. To find an SBA-approved lender, please go to [sba.gov/lendermatch](https://www.sba.gov/lendermatch).

SBA is also offering economic injury loans of up to \$2 million per small business, in addition to offering all of our counseling, mentoring, and preparedness services across the country.



Is SBA offering other types of assistance beyond financial help?

Answer: Yes, as it has for more than 65 years, SBA is offering ongoing assistance for small businesses across the country to help them start, grow, expand and recover. This includes various trainings and education offerings, financial and preparedness planning, supply-chain assistance and the like. Find guidance and resources for small businesses at [SBA.gov/Coronavirus](https://www.sba.gov/coronavirus). Small businesses should contact their local district office – visit [sba.gov/localassistance](https://www.sba.gov/localassistance) for assistance with accessing available local resources.

Where should a small business go to find additional resources for help?

Answer: Small businesses should stay up to date with SBA’s ongoing assistance by visiting the SBA’s website online, [SBA.gov/Coronavirus](https://www.sba.gov/coronavirus), following [@SBAgov](https://twitter.com/SBAgov) on Twitter and subscribing to the district newsletter via [sba.gov/updates](https://www.sba.gov/updates) using their zip code. Also, small businesses can find local educational and counseling resources via [sba.gov/localassistance](https://www.sba.gov/localassistance).

What should a small business do to keep its employees and customers safe?

Answer: We want to emphasize that public health is the priority and we’re encouraging small businesses to do their part to keep their employees, customers and themselves healthy by following the Centers for Disease Control and Prevention’s [most up-to-date information on COVID-19](https://www.cdc.gov/covid19/), as well as [Guidance for Businesses and Employers to Plan and Respond](https://www.sba.gov/guidance-for-businesses-and-employers-to-plan-and-respond).

Also, the Department of Labor has provided details on workplace safety, leave and additional general resources at [dol.gov/coronavirus](https://www.dol.gov/coronavirus).