



SBA ECONOMIC INJURY DISASTER LOANS COVID-19 FREQUENTLY ASKED QUESTIONS

Question: Congress passed disaster loans for small businesses. What happens now?

- **Answer:** SBA is working directly with Governors to provide targeted, low-interest loans to small businesses and private nonprofit organizations that have been severely impacted by the Coronavirus (COVID-19) outbreak.

Question: My state received approval, but it wasn't state-wide. Will SBA allow more counties to be approved?

- **Answer:** In some instances, state-wide declarations are not being made. Instead, they are on a county basis. If your state is experiencing new cases in undeclared counties after an SBA approval, Governors can amend their approved declaration by working with SBA on the county-specific findings.

Question: My state received approval so where do small businesses apply?

- **Answer:** Small businesses in eligible areas may apply for an EIDL online at: <https://disasterloan.sba.gov/ela/> or they can also reach out to their local SBA District Offices.

Question: If small businesses need help with their applications, are there any other resources available to help them fill out the applications?

- **Answer:** SBA has also coordinated with the Resource Partners, including Small Business Development Centers, (SBDCs) who can assist with the application process. The list of SBDCs is available online at: <https://www.sba.gov/local-assistance/find/?type=Small%20Business%20Development%20Center&pageNumber=1>

Question: How do I know if a small business is eligible?

- **Answer:** SBA's Office of Disaster Assistance works with state emergency management divisions to certify certain areas as an "eligible area."

- The list of eligible areas is also available online at: <https://disasterloan.sba.gov/ela/Declarations/Index> or <https://www.sba.gov/disaster-assistance/coronavirus-covid-19>.
- The list is updated periodically and on the same day a new declaration is approved.
- Your state may not have been approved yet but a county in your state may have been approved as a contiguous county on a neighboring state's approval, which allows small employers in those counties to apply for loans.
- Please check often to see if your area has been added even if your state has not been formally approved.

Question: What is an Economic Injury Disaster Loan?

- **Answer:** The SBA's Economic Injury Disaster Loan (EIDL) program provides small businesses with working capital loans of up to \$2 million to help overcome the temporary loss of revenue.
 - The loans may be used to pay fixed debts, payroll, accounts payable, or other bills that can't be paid because of the COVID-19 outbreak.
 - The interest rate is 3.75 percent for small businesses without credit available elsewhere, and businesses with credit available elsewhere are not eligible to apply for assistance.
 - The maximum term is 30 years.
 - A small business is defined by the SBA's Size Standards in accordance with the Native American Industry Classification System (NAICS) codes and SBA's Size Standards Tool can be utilized.

Question: What's the timeline like?

- **Answer:** Once a borrower submits an application, approval timelines depend on volume. Typical timeline for approval is 2-3 weeks and disbursement can take up to 5 days. Borrowers are assigned individual loan officers for servicing of the loan.

Question: Where can I find more information?

- **Answer:** For additional information, borrowers should contact the SBA Disaster Assistance customer service center by calling 1-800-659-2955 or emailing disastercustomerservice@sba.gov.
 - They can also visit SBA.gov/disaster for more information.