GUIDE TO SBA'S
ECONOMIC INJURY DISASTER LOANS

The Coronavirus Aid, Relief, and Economic Security (CARES) Act expands the Small Business Administration's long-standing Economic Injury Disaster Loan Program (EIDL). The EIDL program was created to assist businesses, renters, and homeowners located in regions affected by declared disasters.

Who is ELIGIBLE?

In general, all of the following entities that have suffered substantial economic injury caused by a disaster provided they were in existence on January 31, 2020:

- Businesses with 500 or fewer employees
- Cooperatives, ESOPs, and tribal small businesses with fewer than 500 employees
- Sole proprietors
- Independent contractors
- Most private nonprofits

What are the LOAN PARAMETERS?

- The maximum EIDL is a $2 million working capital loan at a rate of 3.75% for businesses and 2.75% for non-profits with up to a 30-year term
- Payments on Coronavirus EIDL loans are deferred for one year
- Up to $200,000 can be approved without a personal guarantee
- Approval can be based on a credit score and no first-year tax returns are required
- Borrowers do not have to prove they could not get credit elsewhere

- No collateral is required for loans of $25,000 or less. For loans of more than $25,000, general security interest in business assets will be used for collateral instead of real estate
- The borrowers must allow the SBA to review its tax records

How can I access an EMERGENCY GRANT?

- Eligible applicants for an EIDL loan can receive an emergency grant of up to $10,000 within three days of application (through Dec. 31)
- There is no obligation to repay the emergency grant, and it is not necessary to have an approved EIDL loan to receive the grant. However, if you are able to secure a PPP loan, the $10,000 grant will be subtracted from the forgiveness amount

NOTE: The Paycheck Protection Program (PPP) created by the CARES Act prohibits borrowers from taking out two loans for the same purpose. For more information on PPP loans, visit uschamber.com/sbloans

How do I APPLY?

Apply online at **SBA.gov/disaster**

The SBA administers the EIDL program. Please contact the SBA with specific questions.