

SBA ECONOMIC INJURY DISASTER LOAN AND EMERGENCY GRANT

This page will be updated continuously to reflect the most recent information on the coronavirus. This page was last updated on April 4, 2020.

Overview

The Coronavirus Aid, Relief, and Economic Security (CARES) Act temporarily expands eligibility for SBA economic injury disaster loans (EIDL) and provides an emergency advance of up to \$10,000 to small businesses and private non-profits harmed by COVID-19.

To access the advance, you first apply for an EIDL and then request the advance. **The advance does not need to be repaid under any circumstance**, and may be used to keep employees on payroll, to pay for sick leave, meet increased production costs due to supply chain disruptions, or pay business obligations, including debts, rent, and mortgage payments.

IMPORTANT NOTE: while the law provides that SBA shall provide the funds within 3 days of applying for an SBA Economic Injury Disaster Loan (EIDL), **overwhelming interest in the program has slowed the process.** This makes it difficult to estimate when applicants will receive the advance.

Eligibility

In addition to the entities that are already eligible for SBA disaster loans (small businesses, private non-profits, and small agriculture cooperatives), eligibility is temporarily expanded to include:

Business entities with 500 or fewer employees:

Sole proprietorships, with or without employees

Independent contractors

Cooperatives and employee owned businesses

Tribal small businesses

Private non-profits of **any** size.

Additionally, you must have been in business as of January 31, 2020. Expanded eligibility criteria and the emergency grants are only available between January 31, 2020 and December 31, 2020.

How to Apply

You can apply for an EIDL online (<https://disasterloan.sba.gov/ela/Information/ApplyOnline>) with the SBA.

When you apply, you can request an emergency grant of \$10,000.

You will not have to repay the grant, even if your application for a loan is denied.

You can visit an SBA resource partner who can help guide you through the loan application process. You can find your nearest Small Business Development Center (SBDC) or Women's Business Center [here](https://www.sba.gov/local-assistance) (<https://www.sba.gov/local-assistance>).

Amount

The law provides that applicants can request up to \$10,000; however, because of high demand, the SBA has decided to scale the advance and will provide \$1,000 per employee for up to ten employees. For example, an applicant with two employees would get \$2,000, an applicant with ten employees would get \$10,000, and

an applicant with more than ten employees would still get \$10,000.

Can I apply for other SBA loan programs?

If you apply for an EIDL and the grant, you can still apply for a Paycheck Protection loan. However the amount forgiven under a Paycheck Protection loan will be decreased by the \$10,000 grant.

More Information

For more information about SBA loan programs, please visit the Small Business Administration (<https://www.sba.gov/>). More information about small business programs in the CARES Act can be found on the U.S. Senate Committee on Small Business and Entrepreneurship website (<https://www.sbc.senate.gov/public/index.cfm/resources>).

If you need additional assistance, please reach out to your local Small Business Development Center (<https://www.hisbdc.org/>), Women's Business Center (<https://www.mcblhawaii.org/>), SCORE (<https://hawaii.score.org/>) chapter, or SBA District Office (<https://www.sba.gov/offices/district/hi/honolulu>).

ADDITIONAL RESOURCES

COVID-19 GUIDE

**Information on
how to access
federal resources**

**Visit our main resources page: www.schatz.senate.gov/coronavirus
(<http://www.schatz.senate.gov/coronavirus/>)**