

Loan Programs for Small Businesses Affected by COVID-19

Economic Injury Disaster Loan (EIDL) Program

- EIDL Loans are available to small businesses and non-profits that meet the Small Business Administration's (SBA) size thresholds (www.sba.gov/size-standards) to cover economic losses resulting from a disaster.
- Apply directly through the SBA at sba.gov/disaster.
- Maximum loan amount of \$2 million with a 3.75% interest rate and terms up to 30 years.
- Applicant may request an expedited disbursement of up to \$10,000
- This loan advance does not have to be repaid if loan is not approved but it was an eligible business that applied to the program.

Paycheck Protection Program

- Paycheck Protection Loans are available to small businesses certain non-profits, veteran organizations, sole proprietors, gig economy workers, self-employed individuals and independent contractors with fewer than 500 employees. Borrowers can view the [application here](#).
- Apply through your local banks or credit unions that is an SBA-certified lender.
- The Paycheck Protection Program allows businesses to receive loans that are intended to be forgivable if the borrower maintains employees on payroll through the pandemic.
- The amount of the loan is set by a formula determined by the average monthly payroll up to \$10 million with a fixed interest rate of 0.5% with terms of 2 years.
- Funds will be used to make payroll, mortgage payments, lease payments and utility payments.
- Loan forgiveness will be given to business that maintain the same payroll numbers over the covered period of the loan and will be reduced proportionally by any reduction in the number of employees retained as compared to the prior year.

Express Loans

- Express loans are available to small businesses that meet the SBA size thresholds, which is generally fewer than 500 employees.
- Apply through your local banks or credit unions who are SBA-certified lenders.
- Express loans provide up to \$1 million dollars for businesses to access quickly.
- There is a turnaround time of 36 hours for approval or denial of a completed application.
- Can be used to cover accounts payable, purchasing inventory or other operational expenses.
- Loans have terms up to 7 years and have interest rates between 4.5% to 6.5%.

Double Dipping Provisions

- You may receive an EIDL Loan and the Paycheck Protection loan as long as the basis for the loans/costs being paid with each are different (no "double-dipping").
- A loan under the Paycheck Protection Program makes the borrower ineligible for the Employee Retention Tax Credit.
- You can receive a bridge loan from a local government and still be eligible for either of these loan programs.