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Small Business Administration Reopens Economic Injury Disaster Loan Program

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The U.S. Small Business Administration announced that it has reopened the Economic Injury Disaster Loan (EIDL) and EIDL Advance program portal to all eligible applicants experiencing economic impacts due to COVID-19 today.

The EIDL is a long-standing SBA program that is accustomed to dealing with geographically contained disasters, such as hurricanes, tornadoes and wildfires. The program offers long-term, low interest assistance for a small business or non-profit that are suffering substantial economic injury as a result of COVID-19.

The Economic Injury Disaster Loan (EIDL) and EIDL Advance:

- Loan up to \$2 Million.
- loans may be used to pay debts, payroll, accounts payable and other bills that can't be paid because of the disaster's impact, and that are not already covered by a Paycheck Protection Program loan.
- The interest rate is 3.75% for small businesses. The interest rate for non-profits is 2.75%.
- SBA offers loans with long repayment terms, up to a maximum of 30 years. Plus, the first payment is deferred for one year.
- Small businesses and non-profits may request, as part of their loan application, an EIDL Advance of up to \$10,000. The EIDL Advance is designed to provide emergency economic relief to businesses that are currently experiencing a temporary loss of revenue. This advance **will not have to be repaid**, and small businesses may receive an advance even if they are not approved for a loan.

SBA stopped taking new requests for loans and grants from the EIDL, when initial funding ran out on April 15. When funding ran out it prompted Congress to divert more resources to it. In late April, Congress allocated an additional \$60 billion for the loan program. Despite the additional funding since May 4, SBA has only been taking requests from agricultural businesses.

SBA Administrator Jovita Carranza said in a statement that the reopening will help small businesses and nonprofits.

“With the reopening of the EIDL assistance and EIDL Advance application portal to all new applicants, additional small businesses and non-profits will be able to receive these long-term, low-interest loans and emergency grants – reducing the economic impacts for their businesses, employees and communities they support,” Carranza said.

Carranza also said that the SBA has made improvements to help the program run more smoothly. She said “to meet the unprecedented need, the SBA has made numerous improvements to the application and loan closing process, including deploying new technology and automated tools.”

For additional information, please visit the SBA disaster assistance website at [SBA.gov/Disaster](https://www.sba.gov/Disaster).

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