



SBA Support

8 April 2020

FCS NORTH AMERICAN SUPPLIERS



Coronavirus (COVID-19)

SBA Disaster Assistance in Response to the Coronavirus

- The SBA's Economic Injury Disaster Loans offer up to \$2 million in assistance and can provide vital economic support to small businesses to help overcome the temporary loss of revenue they are experiencing.
- These loans may be used to pay fixed debts, payroll, accounts payable and other bills that can't be paid because of the disaster's impact. The interest rate is 3.75% for small businesses. The interest rate for non-profits is 2.75%.
- The SBA offers loans with long-term repayments in order to keep payments affordable, up to a maximum of 30 years. Terms are determined on a case-by-case basis, based upon each borrower's ability to repay.
- The SBA's Economic Injury Disaster Loans are just one piece of the expanded focus of the federal government's coordinated response, and the SBA is strongly committed to providing the most effective and customer-focused response possible.
- For questions, please contact the SBA disaster assistance customer service center at 1-800-659-2955 (TTY: 1-800-877-8339) or e-mail disastercustomerservice@sba.gov.

The U.S. Small Business Administration is offering designated states and territories low-interest federal disaster loans for working capital to small businesses suffering substantial economic injury as a result of the Coronavirus (COVID-19). Upon a request received from a state's or territory's Governor, the SBA will issue under its own authority, as provided by the Coronavirus Preparedness and Response Supplemental Appropriations Act that was recently signed by the President, an Economic Injury Disaster Loan declaration.

- Any such Economic Injury Disaster Loan assistance declaration issued by the SBA makes loans available statewide to small businesses and private, nonprofit organizations to help alleviate economic injury caused by the Coronavirus (COVID-19). This will apply to current and future disaster assistance declarations related to Coronavirus.
- The SBA's Office of Disaster Assistance will coordinate with the state's or territory's Governor to submit the request for Economic Injury Disaster Loan assistance.
- Once a declaration is made, the information on the application process for Economic Injury Disaster Loan assistance will be made available to affected small businesses within the state.



U.S. Senate Committee on
Small Business & Entrepreneurship

Senator Ben Cardin
Ranking Member

The Small Business Owner's Guide to the CARES Act

The programs and initiatives in the *Coronavirus Aid, Relief, and Economic Security (CARES) Act* that was just passed by Congress are intended to assist business owners with whatever needs they have right now. When implemented, there will be many new resources available for small businesses, as well as certain non-profits and other employers. This guide provides information about the major programs and initiatives that will soon be available from the Small Business Administration (SBA) to address these needs, as well as some additional tax provisions that are outside the scope of SBA.

To keep up to date on when these programs become available, please stay in contact with your local Small Business Administration (SBA) District Office, which you can locate [here](#).

Struggling to get started? The following questions might help point you in the right direction. Do you need:

- **Capital to cover the cost of retaining employees?** Then the [Paycheck Protection Program](#) might be right for you.
- **A quick infusion of a smaller amount of cash to cover you right now?** You might want to look into an [Emergency Economic Injury Grant](#).
- **To ease your fears about keeping up with payments on your current or potential SBA loan?** The [Small Business Debt Relief Program](#) could help.
- **Just some quality, free counseling to help you navigate this uncertain economic time?** The [resource partners](#) might be your best bet.

Funding Options

In addition to traditional SBA funding programs, the CARES Act established several new temporary programs to address the COVID-19 outbreak.

1



\$10k
ADV.

EIDL Loan Advance

This loan advance will provide up to \$10,000 of economic relief to businesses that are currently experiencing temporary difficulties

[Learn more](#)

2



SBA Express Bridge Loans

Enables small businesses who currently have a business relationship with an SBA Express Lender to access up to \$25,000 quickly.

[Learn more](#)

3



SBA Debt Relief

The SBA is providing a financial reprieve to small businesses during the COVID-19 pandemic.

[Learn more](#)

EIDLE Small Business Support

1

<https://www.sba.gov/funding-programs/loans/coronavirus-relief-options/economic-injury-disaster-loan-emergency-advance>

Economic Injury Disaster Loan Emergency Advance

This loan advance will provide up to \$10,000 of economic relief to businesses that are currently experiencing temporary difficulties.

Overview

In response to the Coronavirus (COVID-19) pandemic, small business owners in all U.S. states, Washington D.C., and territories are eligible to apply for an Economic Injury Disaster Loan advance of up to \$10,000. This advance will provide economic relief to businesses that are currently experiencing a temporary loss of revenue. Funds will be made available following a successful application. This loan advance will not have to be repaid.

Eligibility

The SBA's Economic Injury Disaster Loan provides vital economic support to small businesses to help overcome the temporary loss of revenue they are experiencing as a result of the COVID-19 pandemic.

This program is for any small business with less than 500 employees (including sole proprietorships, independent contractors and self-employed persons), private non-profit organization or 501(c)(19) veterans organizations affected by COVID-19.

Businesses in certain industries may have more than 500 employees if they meet the [SBA's size standards](#) for those industries.

The Economic Injury Disaster Loan advance funds will be made available within days of a successful application, and this loan advance will not have to be repaid.

Funding Options

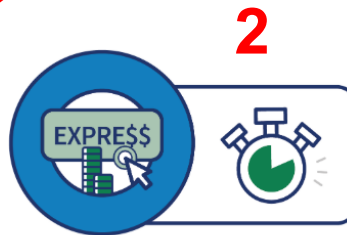
In addition to traditional SBA funding programs, the CARES Act established several new temporary programs to address the COVID-19 outbreak.



EIDL Loan Advance

This loan advance will provide up to \$10,000 of economic relief to businesses that are currently experiencing temporary difficulties.

[Learn more](#)



SBA Express Bridge Loans

Enables small businesses who currently have a business relationship with an SBA Express Lender to access up to \$25,000 quickly.

[Learn more](#)



SBA Debt Relief

The SBA is providing a financial reprieve to small businesses during the COVID-19 pandemic.

[Learn more](#)

Small Business Express Bridge Loans

2

<https://www.sba.gov/funding-programs/loans/coronavirus-relief-options/sba-express-bridge-loans>

SBA Express Bridge Loans

Enables small businesses who currently have a business relationship with an SBA Express Lender to access up to \$25,000 quickly.

[Express Bridge Loan Pilot Program](#) allows small businesses who currently have a business relationship with an SBA Express Lender to access up to \$25,000 quickly. These loans can provide vital economic support to small businesses to help overcome the temporary loss of revenue they are experiencing and can be a term loans or used to bridge the gap while applying for a direct [SBA Economic Injury Disaster loan](#). If a small business has an urgent need for cash while waiting for decision and disbursement on an Economic Injury Disaster Loan, they may qualify for an **SBA Express Disaster Bridge Loan**.

Terms

- Up to \$25,000
- Fast turnaround
- Will be repaid in full or in part by proceeds from the EIDL loan

Funding Options

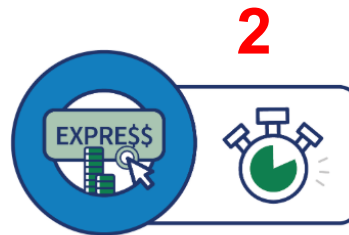
In addition to traditional SBA funding programs, the CARES Act established several new temporary programs to address the COVID-19 outbreak.



EIDL Loan Advance

This loan advance will provide up to \$10,000 of economic relief to businesses that are currently experiencing temporary difficulties.

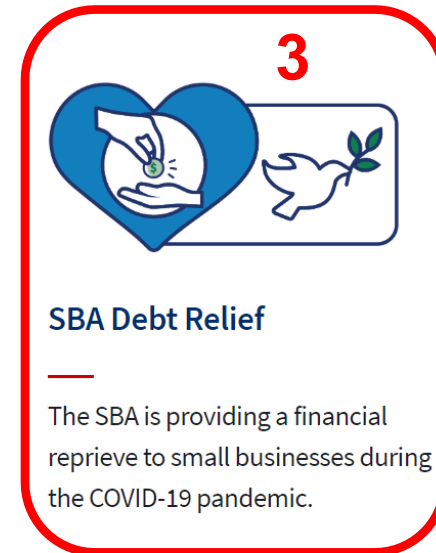
[Learn more](#)



SBA Express Bridge Loans

Enables small businesses who currently have a business relationship with an SBA Express Lender to access up to \$25,000 quickly.

[Learn more](#)



SBA Debt Relief

The SBA is providing a financial reprieve to small businesses during the COVID-19 pandemic.

[Learn more](#)

Small Business Debt Relief

3

<https://www.sba.gov/funding-programs/loans/coronavirus-relief-options/sba-debt-relief>

SBA Debt Relief

The SBA is providing a financial reprieve to small businesses during the COVID-19 pandemic.

Overview

As part of SBA's debt relief efforts,

- The SBA will automatically pay the principal, interest, and fees of current 7(a), 504, and microloans for a period of six months.
- The SBA will also automatically pay the principal, interest, and fees of new 7(a), 504, and microloans issued prior to September 27, 2020.

If you have questions about your current loan and whether or not your loan is automatically deferred, please contact your Loan Servicing Office directly using the following information:

- Birmingham Disaster Loan Servicing Center:
 - Phone: 800-736-6048
 - Email: BirminghamDLSC@sba.gov
- El Paso Disaster Loan Servicing Center:
 - Phone: 800-487-6019
 - Email: ElPasoDLSC@sba.gov

Additional Debt Relief

For current SBA Serviced Disaster (Home and Business) Loans: If your disaster loan was in "regular servicing" status on March 1, 2020, the SBA is providing automatic deferments through **December 31, 2020**.

What does an "automatic deferral" mean to borrowers?

- Interest will continue to accrue on the loan.
- 1201 monthly payment notices will continue to be mailed out which will reflect the loan is deferred and no payment is due.
- **The deferment will NOT cancel any established Preauthorized Debit (PAD) or recurring payments on your loan.** Borrowers that have established a PAD through Pay.Gov or an Online Bill Pay Service are responsible for canceling these recurring payments. Borrowers that had SBA establish a PAD through Pay.gov will have to contact their SBA servicing office to cancel the PAD.
- Borrowers preferring to continue making regular payments during the deferment period may continue remitting payments during the deferment period. SBA will apply those payments normally as if there was no deferment.
- After this automatic deferment period, borrowers will be required to resume making regular principal and interest payments. Borrowers that cancelled recurring payments will need to reestablish the recurring payment.



Additional Services

Counseling & Training

If you, like many small business owners, need a business counselor to help guide you through this uncertain time, you can turn to your local Small Business Development Center (SBDC), Women's Business Center (WBC), or SCORE mentorship chapter. These resource partners, and the associations that represent them, will receive additional funds to expand their reach and better support small business owners with counseling and up-to-date information regarding COVID-19. There will soon be a joint platform that consolidates information and resources related to COVID-19 in order to provide consistent, timely information to small businesses. To find a local resource partner, visit <https://www.sba.gov/local-assistance/find/>.

In addition, the Minority Business Development Agency's Business Centers (MBDCs), which cater to minority business enterprises of all sizes, will also receive funding to hire staff and provide programming to help their clients respond to COVID-19. Not every state has a MBDC. To find out if there is one that services your area, visit [this site](#).

Small Business Tax Provisions

Employee Retention Credit for Employers Subject to Closure or Experiencing Economic Hardship

This provision would provide a refundable payroll tax credit for 50 percent of wages paid by eligible employers to certain employees during the COVID-19 crisis. The credit is available to employers, including non-profits, whose operations have been fully or partially suspended as a result of a government order limiting commerce, travel or group meetings. The credit is also provided to employers who have experienced a greater than 50 percent reduction in quarterly receipts, measured on a year-over-year basis.

Wages of employees who are furloughed or face reduced hours as a result of their employer's closure or economic hardship are eligible for the credit. For employers with 100 or fewer full-time employees, all employee wages are eligible, regardless of whether an employee is furloughed. The credit is provided for wages and compensation, including health benefits, and is provided for the first \$10,000 in wages and compensation paid by the employer to an eligible employee. Wages do not include those taken into account for purposes of the payroll credits for required paid sick leave or required paid family leave, nor for wages taken into account for the employer credit for paid family and medical leave (IRC sec. 45S).

- **The credit is not available to employers receiving assistance through the [Paycheck Protection Program](#). The credit is provided through December 31, 2020.**

Delay of Payment of Employer Payroll Taxes

This provision would allow taxpayers to defer paying the employer portion of certain payroll taxes through the end of 2020, with all 2020 deferred amounts due in two equal installments, one at the end of 2021, the other at the end of 2022. Payroll taxes that can be deferred include the employer portion of FICA taxes, the employer and employee representative portion of Railroad Retirement taxes (that are attributable to the employer FICA rate), and half of SECA tax liability.

- **Deferral is not provided to employers receiving assistance through the [Paycheck Protection Program](#).**

COVID-19 Scenarios & Benefits Available

The information shared on this flyer does not necessarily reflect the official policy or position of any other agency or company. It is the reader's responsibility to verify the facts of coverage.

COVID-19 SCENARIOS		Paid Sick Leave (employer paid)	Unemployment Insurance		Paid Family & Medical Leave	Industrial Insurance (L&I)
		Current Law	Current Law	Emergency Rule	Current Law	Current Law
1	Worker is mildly ill with COVID-19.	✓	✗	✓	?	?
2	Worker is severely ill with COVID-19.	✓	✗	✗	✓	?
3	Worker was exposed and quarantined. Business remains open.	✓	✗	✓	✗	?
4	Worker is caring for sick family member.	✓	✗	?	✓	✗
5	Schools are closed by a public official because of COVID-19 and worker has no childcare.	✓	✗	✗	✗	✗
6	Worker is immune-compromised and advised to self-quarantine.	?	✗	✓	?	✗
7	Worker is afraid of gathering in a group and refuses to go to work (self-distancing).	✗	✗	✗	✗	✗
8	Employer must shut down due to a quarantine by a public official.	✓	✓	✓	✗	✗
9	Employer shuts down due to a business slowdown or lack of demand.	✗	✓	✓	✗	✗
10	Employer reduces available hours due to business slowdown or lack of demand.	✗	✓	✓	✗	✗
11	Employer stays open in defiance of public health urging to close.	✗	?	?	✗	✗
12	Health care workers and first responder are under quarantine.	✓	✗	✗	✗	✓



The Employment Security Department is an equal opportunity employer/program. Auxiliary aids and services are available upon request to individuals with disabilities. Language assistance services for limited English proficient individuals are available free of charge. Washington Relay Services: 711



ESD.WA.GOV

UPDATED: 03.12.20 - 1:00 p.m.