The U.S. Small Business Administration (SBA) is offering low-interest federal disaster loans through its Economic Injury Disaster Loan (EIDL) program.

The EIDL program will make low-interest loans available to eligible entities to help pay for working capital and alleviate economic injury caused by the Coronavirus (COVID-19).

**Economic Injury Disaster Loan (EIDL) Program Details**

- The loans offer up to $2 million in assistance to applicants experiencing a temporary loss of income due to COVID-19.
- Loans may be used to pay fixed debts, payroll, accounts payable, and other bills that are unable to be paid due to COVID-19.
- Interest rates are 3.75% for small businesses and 2.75% for non-profit organizations.
- Maximum term for loan repayment is 30 years.
- Borrowers are assigned an individual loan officer for servicing of the loan.

**Emergency Economic Injury Grants**

- Emergency Economic Injury Grants provide an emergency advance of up to $10,000 to eligible applicants. The SBA has instituted a $1,000 award per employee rule for this grant.
- To access the advance, you must first apply for an EIDL and then request the advance. You must check the box that indicates you are applying for the grant.
- The advance does not need to be repaid if it is used to keep employees on payroll, pay for sick leave, meet increased production costs due to supply chain disruptions, or pay business obligations, including debts, rent and mortgage insurance payments.
- Grant money can be counted against amounts forgiven for PPP Loan if used for payroll purposes.

If you need additional information or assistance, or if you apply for a loan and are denied, please contact my office via email at NY04.SmallBusiness@mail.house.gov.
Preparing for an Economic Injury Disaster Loan

What are the criteria for a loan approval?
- Credit History: Applicants must have a credit history acceptable to SBA.
- Repayment: SBA must determine that the applicant business has the ability to repay the SBA loan.
- Eligibility: The applicant business must have suffered working capital losses due to the disaster, not due to a downturn in the economy or other reasons.

Am I eligible for a loan or grant?
- Businesses, cooperatives, and ESOPs with no more than 500 employees, as well as non-profit organizations, sole proprietors, and independent contractors are all eligible.
- The applicant must have suffered working capital losses due to the COVID-19 outbreak, not due to a downturn in the economy or other reasons.
- To be eligible for an Emergency Economic Injury Grant, eligible entities must have been in operation since January 31, 2020, when the public health crisis was announced.

How do I apply for a loan or grant?
- You may apply online or through the mail. There’s no penalty for submitting both ways.
- Application forms and instructions can be found on https://disasterloan.sba.gov/ela/
- Call the Hauppauge SBA office for more information at (631) 454-0750.

Avoid Duplication of Benefits: EIDL applicants may also apply for the SBA’s Paycheck Protection Program (PPP). For example, you can use both EIDL and PPP for payroll, but not in the same time period for the same workers. Consult with your financial institution, loan officer, or the local SBA office in Hauppauge for clarification.

If you need additional information or assistance, or if you apply for a loan and are denied, please contact my office via email at NY04.SmallBusiness@mail.house.gov.