

SBA LOAN PROGRAMS FOR COVID-19 AND OTHER DISASTERS

The SBA has created two programs to render assistance to businesses that are affected by the Covid-19 virus pandemic.

Economic Injury Disaster Loans

Economic Injury Disaster Loans are instated as a result of a declaration of disaster. To learn more about these loans visit the SBA's dedicated [webpage](#).

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.
- 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.

Economic Injury Disaster Loan Advance

- 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 within three days of a successful application. This loan advance will not have to be repaid.
- Apply for the Loan Advance: <https://covid19relief.sba.gov/#/>.

Paycheck Protection Program

Program Overview

The Paycheck Protection Program is designed to provide a direct incentive for small businesses to keep their workers on payroll by providing each small business a loan up to \$10 million for payroll and certain other expenses including rent and utilities.

If all employees are kept on payroll for eight weeks, SBA will forgive the portion of the loans used for payroll, rent, mortgage interest, or utilities. Up to 100 percent of the loan is forgivable.

Eligibility

Businesses – including eligible non-profits, Veterans organizations, Tribal concerns, sole proprietorships, self-employed individuals, and independent contractors described in the Small Business Act – with 500 or fewer employees may apply.

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

Get started with Islanders Bank and Banner Bank

Islanders Bank has partnered with Banner Bank to offer Paycheck Protection Program loans to our customers. To learn more about this shared program visit Banner Bank's dedicated SBA CARES loan program [webpage](#).