

## Small Business Disaster Assistance Available Through the SBA

Loans	Paycheck Protection Program (PPP) First Draw	Paycheck Protection Program (PPP) Second Draw	Economic Injury Disaster Loan (EIDL) & Targeted EIDL Advance	Shuttered Venue Operators Grant (SVOG)
About	<p>Short-term, potentially forgivable loans to eligible small businesses, independent contractors, or other self-employed individuals, nonprofits, housing cooperatives, news organizations, and other eligible entities that retain employees, maintain payroll, and use for other allowable operating expenses. PPP loans are administered and approved through SBA-certified lending institutions: <a href="https://www.sba.gov/PaycheckProtection/find">https://www.sba.gov/PaycheckProtection/find</a>.</p>	<p>Congress has made funding available to eligible businesses that have previously received a PPP loan.</p>	<p>Long-term, low-interest working capital disaster loans for qualified small businesses, nonprofits, and US agricultural businesses that suffered substantial economic injury due to COVID-19. EIDLs are administered and approved directly by the SBA.</p> <p><b>Targeted EIDL Advance</b> Provides businesses located in low-income communities with additional funds to ensure small business continuity, adaptation, and resiliency.</p>	<p>The SBA is offering a special grant program to provide over \$16 billion in economic relief for the nation's shuttered venue operators, including art venues and movie theaters.</p>
Financing	<p><b>Amount:</b> Lesser of 2.5x average monthly payroll costs or \$10 million</p> <p><b>Interest and Terms:</b> 1% for a term of five years for any amount not forgiven</p> <p><b>Collateral:</b> None</p> <p><b>Personal Guarantees:</b> None</p>	<p><b>Amount:</b> Lesser of 2.5x average monthly payroll costs, or \$2 million</p> <p><b>Interest and Terms:</b> Same</p> <p><b>Collateral:</b> Same</p> <p><b>Personal Guarantees:</b> Same</p>	<p><b>For EIDL Only</b> <b>Amount:</b> Up to \$500,000 maximum (24 months of economic injury). For loans approved prior to the week of April 6, 2021, see: <a href="http://www.sba.gov/funding-programs/loans/covid-19-relief-options/covid-19-economic-injury-disaster-loan">www.sba.gov/funding-programs/loans/covid-19-relief-options/covid-19-economic-injury-disaster-loan</a>.</p> <p><b>Interest and Terms:</b> 3.75% for a term of up to 30 years; 2.75% for nonprofits. Payments are deferred until 2022 (interest still accrues)</p> <p><b>Collateral:</b> Loans of more than \$25,000</p>	<p><b>Amount:</b> For establishments in operation on January 1, 2019, grants will be for an amount equal to 45% of their 2019 gross earned revenue OR \$10 million, whichever is less.</p> <p>For establishments in operation after January 1, 2019, grants will be for the average monthly gross earned revenue for each full month you were in operation during 2019 multiplied by six OR \$10 million, whichever is less.</p>
Eligibility	<p>Borrowers in operation on February 15, 2020 and meet one of the following requirements may be eligible:</p> <ul style="list-style-type: none"> <li>• Businesses with 500 or fewer employees that are eligible for other SBA 7(a) loans</li> <li>• Sole proprietors, independent contractors, and eligible self-employed individuals</li> <li>• Nonprofits</li> <li>• Accommodation and food service operations with NAICS codes starting with 72 with fewer than 500 employees per physical location</li> <li>• Sec. 501 (c)(6) entities such as chambers, visitors bureaus and destination marketing organizations</li> <li>• News organizations</li> </ul> <p>See page 13 of the SBA's Interim Final Rule for more information: <a href="https://www.sba.gov/sites/default/files/2021-01/PPP%20--%20IFR%20--%20">https://www.sba.gov/sites/default/files/2021-01/PPP%20--%20IFR%20--%20</a></p>	<p>Borrowers are eligible for a second draw loan of up to \$2 million if they have:</p> <ul style="list-style-type: none"> <li>• 300 or fewer employees</li> <li>• Used or will use the full amount of their first PPP loan on or before the expected date for the second PPP loan to be disbursed to the borrower. The IFR also clarifies that the borrower must have spent the full amount of the first PPP loan on eligible expenses</li> <li>• Experienced a revenue reduction of 25% or more in all or part of 2020 compared with all or part of 2019</li> </ul>	<p>Eligible applicants include:</p> <ul style="list-style-type: none"> <li>• Businesses with 500 or fewer employees or defined as small per: <a href="https://www.sba.gov/federal-contracting/contracting-guide/size-standards">https://www.sba.gov/federal-contracting/contracting-guide/size-standards</a>.</li> <li>• Cooperatives with 500 or fewer employees</li> <li>• Agricultural enterprises with 500 or fewer employees</li> <li>• Most private nonprofits</li> <li>• Faith-based organizations</li> <li>• Sole proprietorships and independent contractors</li> </ul> <p><b>Targeted EIDL Advance</b> Applicants in low-income communities who previously received an EIDL Advance or less than \$10,000, or those who applied but received no funds due to lack of available program funding. The SBA will reach out to those who qualify.</p> <p>Additional details on how the SBA will identify low-income communities will be available soon, visit <a href="https://www.sba.gov/coronavirusrelief">https://www.sba.gov/coronavirusrelief</a>.</p>	<p>Eligible entities include:</p> <ul style="list-style-type: none"> <li>• Live venue operators or promoters</li> <li>• Theatrical producers</li> <li>• Live performing arts organization operators</li> <li>• Relevant museum operators, zoos and aquariums who meet specific criteria</li> <li>• Motion picture theater operators</li> <li>• Talent representatives</li> <li>• Each business entity owned by an eligible entity and any subsidiaries of these organizations that also meet the eligibility requirements</li> </ul> <p>Other requirements:</p> <ul style="list-style-type: none"> <li>• Must have been in operation as of February 29, 2020</li> <li>• Venue or promoter who received a PPP loan on or after December 27, 2020 will have the SVOG reduced by the PPP loan amount</li> </ul>

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Forgiveness	Limited to the amount spent on payroll costs and allowable operating expenses during the 24 week period beginning on the date of the origination of the loan.  At a minimum, 60% must be expended on payroll costs to be forgiven.	Second draw borrowers are eligible for forgiveness on the same terms and conditions as first draw borrowers, except that:  Second draw borrowers with a principal amount of \$150,000 or less are required to provide documentation of revenue reduction if such documentation was not provided at the time of the loan application as specified in subsection (g)(2)(iv) and (v) of the SBA's Interim Final Ruling: <a href="https://www.sba.gov/sites/default/files/2021-01/PPP%20--%20IFR%20--%20Second%20Draw%20">https://www.sba.gov/sites/default/files/2021-01/PPP%20--%20IFR%20--%20Second%20Draw%20</a> .	The EIDL is not forgivable.  <b>Targeted EIDL Advance</b> This loan does not have to be repaid. Advance funds of up to \$10,000 will be available to applicants located in low-income communities who previously received an EIDL Advance for less than \$10,000 or those who applied but received no funds due to lack of available program funding.	The SVOG is a grant, not a loan, and does not need to be repaid.
Use	Proceeds may be used to pay payroll costs, mortgage interest, rent, utilities, interest on pre-existing loans, costs related to the continuation of benefits, refinancing an EIDL loan made between January 31, 2020 and April 3, 2020, covered operations expenditures, covered supplier costs, and covered worker protection expenditures.	Same as the first draw.	Proceeds may be used for working capital and normal operating expenses. For example: continuation of health care benefits, rent, utilities, fixed debt payments.  Note: You can apply for both PPP and EIDL — you just can't use the funds for the same purpose.	Proceeds may be used for specific expenses, which include: <ul style="list-style-type: none"> <li>• Payroll costs, rent payments, utility payments</li> <li>• Scheduled mortgage and debt payments not including prepayment of principal or any indebtedness incurred in the ordinary course of business prior to February 15, 2020</li> <li>• Worker protection expenditures</li> <li>• Payments to independent contractors (not to exceed \$100,000 in annual compensation per contractor)</li> <li>• Other ordinary and necessary business expenses, including maintenance costs</li> </ul> For a complete list, visit <a href="http://www.sba.gov/svog">www.sba.gov/svog</a> .
Deadline	<b>May 31, 2021</b>	<b>May 31, 2021</b>	<b>December 31, 2021</b>	<b>Grant program open until funds are depleted</b>
Apply	Contact your local bank, credit union, or other SBA-certified lending institutions: <a href="https://www.sba.gov/PaycheckProtection/find">https://www.sba.gov/PaycheckProtection/find</a> .	Contact your local bank, credit union, or other SBA-certified lending institutions: <a href="https://www.sba.gov/PaycheckProtection/find">https://www.sba.gov/PaycheckProtection/find</a> .	Apply online directly with the SBA at: <a href="https://covid19relief.sba.gov">https://covid19relief.sba.gov</a> .  <b>Targeted EIDL Advance</b> Applicants do not need to take any action at this time. The SBA will reach out to those who qualify.	For more information, visit <a href="http://www.sba.gov/svog">www.sba.gov/svog</a> .

The SBTDC's team of Business Resiliency Counselors are available to work with business owners recovering from the impacts of COVID-19 on cash flow and financing, exploring new marketing opportunities, stabilizing operations, safely welcoming back customers, digital marketing and more. To connect with your local counselor, please visit [www.sbtcdc.org/coronavirus/resiliency-counselors](http://www.sbtcdc.org/coronavirus/resiliency-counselors).

The Small Business & Technology Development Center is administered by NC State University on behalf of the UNC System and is operated in partnership with the U.S. Small Business Administration.



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