

COVID-19 ASSISTANCE FOR SELF-EMPLOYED INDIVIDUALS AND OTHERS

PRESENTATION BY



IN COLLABORATION WITH



PLEASE NOTE:

ALL PARTICIPANTS HAVE BEEN MUTED
PLEASE USE THE CHATBOT FEATURE TO ADD QUESTIONS OR COMMENTS

OUR MODERATOR IS NOW CONDUCTING A SOUNDCHECK TO
MAKE SURE ALL PARTICIPANTS CAN HEAR THE AUDIO

IF YOU ARE NOT HEARING THE MODERATOR'S ANNOUNCEMENT,
YOU MAY NEED TO DIAL IN USING A TELEPHONE

HERE IS THE DIAL-IN NUMBER:

(415) 655-0001

ACCESS CODE 801 803 711

IF THE MAIN DIAL-IN NUMBER IS BUSY, YOU CAN TRY ONE OF THE
FOLLOWING NUMBERS, WITH THE ABOVE ACCESS CODE:

(617) 315-0704

(312) 535-8110

(469) 210-7159



U.S. Small Business
Administration

COVID-19 ASSISTANCE FOR SELF-EMPLOYED INDIVIDUALS AND OTHERS

TUESDAY, MARCH 31, 2020 • 10:30 - 11:30 a.m. CDT



SUSHEEL KUMAR

SBA OFFICE OF DISASTER ASSISTANCE

SBA To Provide Economic Injury Disaster Loans For Coronavirus Related Economic Disruptions



U.S. Small Business
Administration

Scams, Phishing, and Hacks

A Message from the SBA

- The scammers, phishing and hackers are in full swing.
- Please do not click on any links from individuals with whom they are not familiar.
- There is no fee to apply for an SBA EIDL.
- There is no one who can speed up the process for clients.
- All applications are assigned and processed in order of receipt.



U.S. Small Business
Administration

SBA's Disaster Declaration Makes Loans Available Due to the Coronavirus (COVID-19)

The U.S. Small Business Administration (SBA) 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, SBA will issue under its own authority, as provide by the Coronavirus Preparedness and Response Supplement Appropriations Act that was recently signed by the President, an Economic Injury Disaster Loan declaration.



Administrator Jovita Carranza

SBA's Economic Injury Disaster Loan Basics

What businesses are eligible to apply?

SBA's Economic Injury Disaster Loans (or working capital loans) are available to small businesses, small agricultural cooperatives, small aquaculture businesses and most private non-profit organizations

This includes:

- Businesses directly affected by the disaster
- Businesses that offer services directly related to the businesses in the declaration
- Other businesses indirectly related the industry that are likely to be harmed by losses in their community

(Example: Manufacturer of widgets may be eligible as well as the wholesaler and retailer of the product.)

SBA's Economic Injury Disaster Loan Basics

What are some examples of eligible industries?

Includes but are not limited to: hotels, recreational facilities, charter boats, manufactures, sports vendors, owners of rental property, restaurants, retailers, souvenir shops, travel agencies, and wholesalers.



What other criteria is involved?

The applicant business **must** have a **physical presence** in the declared disaster area. An applicant's economic presence alone in a declared area does not meet this requirement. The physical presence must be tangible and significant. Merely having a P.O. Box in the disaster area would not qualify as a physical presence.

Economic Injury Disaster Loans

Independently Owned and Operated

- **Substantial business risk** – The principals must have a business risk resulting from investing in facilities and equipment and by incurring ongoing expenses, which must be paid regardless of whether the operation generates a profit (example: a crew member on a fishing boat would not be eligible).
- **Free from significant control** – The applicant business must be free from significant control by other concerns (e.g., the customers or businesses that pay for its services).
- **Effect of IRS Guidelines** – Merely filing a Schedule C with the Federal Tax Return does not qualify the individual as an independently owned and operated business.

Economic Injury Disaster Loans

Ineligible EIDL Applicants

- Religious Organizations
- Charitable Organizations
- Consumer and Marketing Cooperatives
(Except small agricultural Co-Ops)
- Gambling Concerns
(Ex: Concerns that derive more than one-third of their annual gross revenue from legal gambling activities)
- Casinos & Racetracks
(Ex: Businesses whose purpose for being is gambling (e.g., casinos, racetracks, poker parlors, etc.) are not eligible for EIDL assistance regardless of 1/3 criteria above.)
- Concerns Engaged in Illegal Activities
- Lending or investment concerns

Economic Injury Disaster Loans

Ineligible EIDL Applicants (cont.)

- Speculative Activities
- Pawn Shops
(Ex: If 50% or more of previous years income was derived from interest they are not eligible)
- Real Estate Developers
(Ex: engaged in subdividing real property into lots and developing it for resale on their own account)
- Multi-Level Sales distribution (Pyramid) concerns
- Loan Packagers who derive 30% or more of their annual income from the preparation of applications seeking financial assistance from SBA.
- Concerns with principals incarcerated, on parole or probation. – The concern remains ineligible if the parole or probation is lifted solely because it is an impediment to obtaining a loan.

Economic Injury Disaster Loans

Ineligible EIDL Applicants (cont.)

- Government owned entities – except for businesses owned or controlled by a Native American tribe.
- Political or Lobbying Concerns
- Concerns engaged in the sale of products or Services or Live performances of a prurient sexual nature.
- Concerns not located in a declared disaster area
- Concerns determined by SBA to have credit available elsewhere.
- Concerns involved in change in ownership situations – entities which had a substantial change of ownership (more than 50%) after the impending economic injury became apparent, and no contract of sale existed prior to that time are ineligible.
- Concerns established Post-Disaster – If a small concern was established after an impending economic injury became apparent, the owner assumed the risk and did not incur economic injury.

Economic Injury Disaster Loans

Ineligible Uses of EIDL Loan Proceeds (cont.)

- Refinancing long term debt.
- Paying down (other than regular installment payments) or paying off loans provided, guaranteed, or insured by another Federal agency or a Small Business Investment Company. *Federal Deposit Insurance Corporation (FDIC) and Resolution Trust Corporation (RTC) are not considered Federal agencies for this purpose.*
- Payment of any part of a direct Federal debt, (including SBA loans) except IRS obligations.
- If a direct Federal debt is delinquent, SBA must have written documentation from the appropriate Federal agency explaining how the delinquency will be cured.

SBA's Economic Injury Disaster Loan Basics

What is 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 be physically located in a declared county and suffered working capital losses due to the declared disaster, not due to a downturn in the economy or other reasons.



SBA's Economic Injury Disaster Loan Terms

How much can I borrow?

- Eligible entities may qualify for loans **up to \$2 million**.
- The fixed interest rates for this disaster are **3.75 percent for small businesses** and 2.75 percent for nonprofit organizations with terms up to 30 years.
- Eligibility for these **working capital loans** are based on the size (must be a small business) and type of business and its financial resources.
- To check size standards, visit <https://www.sba.gov/document/support--table-size-standards>.

SBA's Economic Injury Disaster Loan Terms

How can I use the loan funds?

- These working capital loans may be used to **pay fixed debts, payroll, accounts payable, and other bills** that could have been paid had the disaster not occurred.
- The loans are not intended to replace lost sales or profits or for expansion.

SBA's Working Capital Loans are Different from Other SBA Loans

- EIDL funds come directly from the U.S. Treasury.
- Applicants do not go through a bank to apply. Instead apply directly to SBA's Disaster Assistance Program.
- There are NO real estate collateral requirements for the EIDL program.
- General UCC-1 Filing on the business
- There is NO cost to apply –
- NO fees - NO points - NO Closing Cost- NO Prepayment Penalty
- 1st payment due in 12 months.
- There is no obligation to take the loan if offered.
- Applicants that have existing SBA Disaster Loan can still qualify for a COVID EIDL but the loans cannot be consolidated.

How to Apply – Recently Updated

- **Updated and Preferred Application Process:**

Applicants may apply via the SBA's secure website at

<https://disasterloan.sba.gov/apply-for-disaster-loan/index.html>.

Applicants will download, complete and upload the files via the SBA site.

- Paper loan applications can be downloaded from www.sba.gov/disaster. Completed applications can be mailed to: U.S. Small Business Administration, Processing and Disbursement Center, 14925 Kingsport Road, Fort Worth, TX 76155. (Uploading documents is preferred.)
- Disaster loan information and application forms may also be obtained by calling the SBA's Customer Service Center at 800-659-2955 (800-877-8339 for the deaf and hard-of-hearing) or by sending an email to disastercustomerservice@sba.gov.

Filing Documents

COVID-19 EIDL Required Documents

1. [Business Loan Application \(Form 5\)](#)
2. [Economic Injury Disaster Loan Supporting Information \(Form P-019\)](#)

Additional Documents That May Be Requested

- [Fee Disclosure Form and Compensation Agreement \(Form 159D\)](#)
- [Personal Financial Statement \(SBA Form 413D\)](#)
- [Request for Transcript of Tax Return \(IRS Form 4506-T\)](#)
- [Schedule of Liabilities \(SBA Form 2202\)](#)
- [Additional Filing Requirements \(SBA Form 1368\)](#)
- [Additional Filing Requirements \(SBA Form 413D\)](#)

How to Apply

Step #1: Download Forms

1. [Business Loan Application \(Form 5\)](#)
2. [Economic Injury Disaster Loan Supporting Information \(Form P-019\)](#)

Additional Information May Be Requested

- [Fee Disclosure Form and Compensation Agreement \(Form 159D\)](#)
- [Personal Financial Statement \(SBA Form 413D\)](#)
- [Request for Transcript of Tax Return \(IRS Form 4506-T\)](#)
- [Schedule of Liabilities \(SBA Form 2202\)](#)
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Office of Disaster Assistance

Economic Injury Disaster Loan Assistance

Small business owners in all U.S. states, Washington D.C., and territories are currently eligible to apply for a long-term, low-interest loan due to Coronavirus (COVID-19).

The SBA's Economic Injury Disaster Loan program provides small businesses with working capital loans of up to \$2 million that can provide vital economic support to small businesses to help overcome the temporary loss of revenue they are experiencing.

If you are applying for disaster assistance for another declaration, then please see the home owner's and renter's form [here](#).

Instructions to Apply

1. Download forms below
2. Fill in your information
3. Upload forms on this page below
4. If you choose to mail, then please see Mailing Instructions below

Download Business Forms

1. [Business Loan Application \(Form 5\) \(en Español\)](#)
2. [Home or Sole Proprietor Loan Application \(SBA Form 5C\) \(en Español\)](#)
3. [Economic Injury Disaster Loan Supporting Information \(Form P-019\)](#)

Additional Forms

A Disaster Assistance loan officer may request you to fill out the following additional forms:

- [Fee Disclosure Form and Compensation Agreement \(Form 159D\)](#)
- [Personal Financial Statement \(SBA Form 413D\) \(en Español\)](#)
- [Request for Transcript of Tax Return \(IRS Form 4506-T\)](#)
- [Instructions for Request for Transcript of Tax Return \(IRS Form 4506-T\) \(en Español\)](#)
- [Schedule of Liabilities \(SBA Form 2202\)](#)
- [Instructions for Schedule of Liabilities \(SBA Form 2202\)](#)
- [Schedule of Liabilities \(SBA Form 2202\) \(en Español\)](#)
- [PUERTO RICO ONLY: Release of Inheritance and Donation \(Modelo SG 2907\) \(en Español\)](#)
- [PUERTO RICO ONLY: Hacienda Statement of Authorization](#)
- [Additional Filing Requirements \(SBA Form 1368\)](#)
- [Additional Filing Requirements \(SBA Form 413D\) \(en Español\)](#)

<https://disasterloan.sba.gov/apply-for-disaster-loan/index.html>

How to Apply

Step #2: Complete Forms

1. [Business Loan Application \(Form 5\)](#)
2. [Economic Injury Disaster Loan Supporting Information \(Form P-019\)](#)

Additional Information May Be Requested

- [Fee Disclosure Form and Compensation Agreement \(Form 159D\)](#)
- [Personal Financial Statement \(SBA Form 413D\)](#)
- [Request for Transcript of Tax Return \(IRS Form 4506-T\)](#)
- [Schedule of Liabilities \(SBA Form 2202\)](#)
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1. Download forms below
2. Fill in your information
3. Upload forms on this page below
4. If you choose to mail, then please see Mailing Instructions below

Download Business Forms


1. [Business Loan Application \(Form 5\) \(en Español\)](#)
2. [Home or Sole Proprietor Loan Application \(SBA Form SC\) \(en Español\)](#)
3. [Economic Injury Disaster Loan Supporting Information \(Form P-019\)](#)

Additional Forms

A Disaster Assistance loan officer may request you to fill out the following additional forms:

- [Fee Disclosure Form and Compensation Agreement \(Form 159D\)](#)
- [Personal Financial Statement \(SBA Form 413D\) \(en Español\)](#)
- [Request for Transcript of Tax Return \(IRS Form 4506-T\)](#)
- [Instructions for Request for Transcript of Tax Return \(IRS Form 4506-T\) \(en Español\)](#)
- [Schedule of Liabilities \(SBA Form 2202\)](#)
- [Instructions for Schedule of Liabilities \(SBA Form 2202\)](#)
- [Schedule of Liabilities \(SBA Form 2202\) \(en Español\)](#)
- [PUERTO RICO ONLY: Release of Inheritance and Donation \(Modelo SC 2997\) \(en Español\)](#)
- [PUERTO RICO ONLY: Hacienda Statement of Authorization](#)
- [Additional Filing Requirements \(SBA Form 1368\)](#)
- [Additional Filing Requirements \(SBA Form 413D\) \(en Español\)](#)

Business Loan Application (Form 5)

 U.S. Small Business Administration DISASTER BUSINESS LOAN APPLICATION		<small>OMB No. 3245-0017</small> <small>Expiration: 06/30/2021</small>
FOR SBA INTERNAL USE ONLY		Date Received _____ Location _____ By _____
Physical Declaration Number	_____	Filing Deadline Date _____
Economic Injury Declaration Number	_____	Filing Deadline Date _____
FEMA Registration Number (if known)	_____	SBA Application Number _____
1. ARE YOU APPLYING FOR:		
<input type="checkbox"/> Physical Damage — indicate type of damage <input type="checkbox"/> Real Property <input type="checkbox"/> Business Contents <input type="checkbox"/> Economic Injury (EIDL)		<input type="checkbox"/> Military Reservist EIDL (MREIDL) <small>(complete the following)</small> * Name of Essential Employee _____ * Employee's Social Security Number _____
PLEASE PROVIDE ALL INFORMATION OR DOCUMENTATION REQUESTED IN THE ATTACHED FILING REQUIREMENTS. <small>* For information about these questions, see the attached Statements Required by Laws and Executive Orders.</small> Apply online at https://disasterloan.sba.gov/ela/ OR send completed applications to: U.S. Small Business Administration, Processing and Disbursement Center, 14925 Kingsport Road, Fort Worth, Texas 76155		
2. ORGANIZATION TYPE *Sole Proprietors should complete form 5C		
<input type="checkbox"/> Partnership <input type="checkbox"/> Limited Partnership <input type="checkbox"/> Limited Liability Entity <input type="checkbox"/> Corporation <input type="checkbox"/> Nonprofit Organization <input type="checkbox"/> Trust <input type="checkbox"/> Other: _____		
3. APPLICANT'S LEGAL NAME		4. FEDERAL E.I.N. (if applicable)
5. TRADE NAME (if different from legal name)		6. BUSINESS PHONE NUMBER (including area code)
7. MAILING ADDRESS <input type="checkbox"/> Business <input type="checkbox"/> Home <input type="checkbox"/> Temp <input type="checkbox"/> Other _____		
Number, Street, and/or Post Office Box _____ City _____ County _____ State _____ Zip _____		
8. DAMAGED PROPERTY ADDRESS(ES) (if you need more space, attach additional sheets.)		BUSINESS PROPERTY IS:
<input type="checkbox"/> Same as mailing address <input type="checkbox"/> Owned <input type="checkbox"/> Leased Number and Street Name _____ City _____ County _____ State _____ Zip _____		
9. PROVIDE THE NAME(S) OF THE INDIVIDUAL(S) TO CONTACT FOR:		
Loss Verification Inspection		Information necessary to process the Application
Name _____		Name _____
Telephone Number _____		Telephone Number _____
10. ALTERNATE WAY TO CONTACT YOU		
<input type="checkbox"/> Cell Number _____		<input type="checkbox"/> E-mail _____
<input type="checkbox"/> Fax Number _____		<input type="checkbox"/> Other _____
11. BUSINESS ACTIVITY: _____		12. NUMBER OF EMPLOYEES (pre-disaster): _____
13. DATE BUSINESS ESTABLISHED: _____		14. CURRENT MANAGEMENT SINCE: _____
15. AMOUNT OF ESTIMATED LOSS: <small>(if unknown, enter a question mark)</small>		
<input type="checkbox"/> Real Estate _____ <input type="checkbox"/> Inventory _____ <input type="checkbox"/> Machinery & Equipment _____ <input type="checkbox"/> Leasehold Improvements _____		
16. INSURANCE COVERAGE (IF ANY) (if you need more space, attach additional sheets.)		Coverage Type: _____
Name of Insurance Company and Agent _____		
Phone Number of Insurance Agent _____		Policy Number _____

Economic Injury Disaster Loan Supporting Information (Form P-019)

U.S. SMALL BUSINESS ADMINISTRATION ECONOMIC INJURY DISASTER LOAN SUPPORTING INFORMATION

The U.S. Small Business Administration Economic Injury Disaster Loan provides immediate working capital to eligible applicants. For expedited loan application processing, the business must have been operating for at least one year prior to the disaster. Eligibility for this disaster Loan must consider compensated from other sources to offset the economic injury. Other sources include but are not limited to: (1) grants or other reimbursement (including loans) from government agencies or private organizations, and (2) claims for civil liability against other individuals, organizations or governmental entities.

Was the business in operation one year prior to the disaster?

☐ Yes ☐ No

Gross Revenues for the twelve (12) month period prior to the disaster:

\$

Cost of Goods Sold for the twelve (12) month period prior to the disaster:

\$

Rental properties (residential and commercial) only.
Lost rents due to the disaster:

\$

Compensation from other sources received as a result of the disaster (provide a brief description below) :

\$

\$

\$

SIZE STANDARD*:

SBA's size standards define whether a business concern is small and, therefore, eligible for an Economic Injury Disaster Loan.

I certify all above information provided and the size of the applicant business does not exceed the size standard for the industry in which the business is primarily engaged.

Signature and Title

Date

* SBA establishes size standards by industry under the North American Industry Classification System (NAICS) (<https://www.census.gov/eos/www/naics/>). Business size standards, by NAICS code, may be found at 13 CFR §121.201 (https://ecfr.io/Title-13/se13.1.121_1201).

ODA Form P-019 (03-2020)

How to Apply – Updated 3.27.2020

Step #3: Upload Forms

1. [Business Loan Application \(Form 5\)](#)
2. [Economic Injury Disaster Loan Supporting Information \(Form P-019\)](#)

Additional Information May Be Requested

- [Fee Disclosure Form and Compensation Agreement \(Form 159D\)](#)
- [Personal Financial Statement \(SBA Form 413D\)](#)
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- [Additional Filing Requirements \(SBA Form 413D\) \(en Español\)](#)

Upload Business Forms

Upload Your Documents

Securely submit your Loan Application



Drag and drop files
[Browse your device](#)

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box

Submit Your Application As Soon As Possible

- Recheck the Business Loan Application (Form 5C) and the EIDL Supporting Information (Form P-019) to ensure that all information is accurate.
- The biggest reason for delays in processing is due to missing or incorrect information.
- If more funds are needed, applicants can submit supporting documents and a request for an increase. If less funds are needed, applicants can request a reduction in the loan amount.
- If the loan request is denied, the applicant will be given up to six months in which to provide new information and submit a written request for reconsideration.

Questions?



More information about EIDLs visit

[www.sba.gov/disaster.](http://www.sba.gov/disaster)

Call 1-800-659-2955

QUESTIONS?

PLEASE ENTER YOUR QUESTIONS INTO THE CHATBOT

HEIDI MELANCON, OF THE LOUISIANA SMALL BUSINESS
DEVELOPMENT CENTER (LSBDC) AT UL LAFAYETTE,
WILL MODERATE THE Q&A

ALL QUESTIONS WILL BE RECORDED, AND IF WE ARE NOT
ABLE TO ADDRESS YOUR QUESTION TODAY, WE WILL WORK
TO PROVIDE A TIMELY RESPONSE

THANK YOU TO OUR PRESENTERS AND PARTICIPANTS!

IF YOU HAVE QUESTIONS THAT DID NOT GET
ANSWERED OR FEEDBACK ON TODAY'S SESSIONS,
PLEASE EMAIL **ANDRE@ONEACADIANA.ORG**

THE VIDEO AND SLIDES FROM TODAY'S WEBINARS WILL BE
POSTED SHORTLY AT **ONEACADIANA.ORG/COVID-19-RESOURCES**
AND SHARED BY OTHER WEBINAR PARTNER ORGANIZATIONS

WE WILL BE IN TOUCH ABOUT FUTURE WEBINAR OPPORTUNITIES