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COVID EIDL Policy Changes		
The below policy changes will be publicly shared September 7, 2021 and effective September 8, 2021:		
	COVID EIDL Policy Change	Impact
1	Increase cap from \$500K to \$2M "Exclusivity Period:" No approval of loans greater than \$500,000 until Oct. 8, 2021	Higher loan amounts available
2	Allow for use of funds to be applied to payment and prepayment of commercial debt and regularly-scheduled payments of federal debt	Increase use of funds flexibility
3	Allow for 24 months of deferment from loan origination for all loans (existing loans with less than 24-month deferment will be adjusted)	SBA automatically defers for 24 months from loan origination
4	Affiliation requirements simplified: An affiliate is a business that you control or in which you have 50% or more ownership	Simplifies affiliation rules for all industries
5	Created additional way to meet program size standards for businesses assigned a NAICS code beginning with 61, 71, 72, 213, 3121, 315, 448, 451, 481, 485, 487, 511, 512, 515, 532, or 812, AND that have no more than 500 employees per physical location AND that have no more than 20 locations AND that meet all other COVID EIDL eligibility requirements	Includes industries uniquely impacted by COVID-19 and continue to experience significant economic hardship
6	Added \$10 million limit on maximum aggregate COVID EIDL loans to a single corporate group. Entities are part of a single corporate group if they are majority owned, directly or indirectly, by a common parent	Introduces maximum cap on corporate groups

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## COVID EIDL Changes - Terms

Green\* = changes

Loan Amount	\$1,000 to \$25,000	>\$25,000 to \$500,000	>\$500,000 to \$2 million*
Interest	3.75% (business) 2.75% (non-profit)		
Repayment Period	30 years		
Deferment	Up to 24 months (for all loans*) – SBA will adjust deferment on loans that did not receive 24 months		
Requirements	Minimum Credit Score: 570 Collateral: None Personal Guarantee: None	Minimum Credit Score: 570 Collateral: >\$25,000 UCC-1 Personal Guarantee: >\$200,000 20% or more owner unless partnership, then all	Minimum Credit Score: 625* Collateral: UCC-1 and business real estate* Personal Guarantee: >\$200,000
Use	Normal operating expenses • Payroll • Rent • Inventory, raw materials, variable costs • Commercial Debt (payment and prepayment*) • Federal Debt (includes Guaranteed and Direct Loan) (regularly scheduled payments*) Working capital		

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## Application Details

The below timelines assume the applicant responds quickly to the SBA for any information requests and in completing each step of the process.

Scenario	Timeline
COVID EIDL Application for any funds <\$500K	3 Weeks
COVID EIDL Application for any funds >\$500K	6 Weeks
COVID EIDL Application for <\$500K and then an increase for >\$500K Funds	3 Weeks + 6 Weeks = 9 Weeks

### Required Documents

For loan modification applications, it is possible they will not need to submit standard documents again

Standard document requirements

- Federal Income Taxes
- IRS Form 4506-T

Additional Documents for >\$500K

- ODA Form P-022 – Standard Resolution
- SBA Form 2202 – Schedule of Liabilities
- List of Real Estate Owned
- SBA Form 413 – Personal Financial Stat

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## Formula for EIDL

- If business was in operation before January 1, 2019
  - 2019 gross receipts minus 2019 cost of goods sold x 2 = (up to \$500,000)
  - If rental loss: actual 2019 rent received – actual 2020 rent received x 2
  - If business started operating after January 1, 2019 the SBA will calculate
  - Not required to take full amount
  - Based also on credit



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## Other Notes

- 20% or greater owners must be listed on application
- If an owner is 20% or more and is not a US citizen, non-citizen national or qualified alien with valid SSN, then the applicant (the business) is not eligible.
- Must have been in operation on or before January 31, 2020
- Understand affiliate rules
- Businesses purchased after January 31, 2020 are ineligible (unless family member or less than 50% change)
- Deadline is December 31, 2021



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## Funds from EIDL (loan) cannot be used for:

- Expand your business
- Make prepayments on debt that is owned by federal agency (including SBA)
- Start a new business
- An applicant for a COVID-19 EIDL must show a "substantial economic injury" occurred as a result of the pandemic, unlike the prospective standard of the first round of PPP, which only required "current economic uncertainty" to make a loan necessary. The EIDL program defines "substantial economic injury" as a harm that results in the inability of a small business to 1) to meet its obligations as they mature, 2) pay its ordinary and necessary operating expenses and 3) market, produce or provide a product or service ordinarily marketed, produced or provided by the business concern. A small business with a substantial economic injury then needs to show the relationship of the harm to COVID-19.



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## Targeted EIDL Advance

The Targeted EIDL Advance provides funds of up to \$10,000 to applicants who:

- **Are in a low-income community.** To help applicants determine if the business address is in a low-income community, see mapping tool on next slide.
- **Can demonstrate more than 30% reduction in revenue** during an eight-week period beginning on March 2, 2020, or later. If an applicant meets the low-income community criteria, they will be asked to provide gross monthly revenue to confirm the 30% reduction.
- **Must register for EIDL**, but not required to take it to qualify for Advance.
- Available for Sole Props, Independent contractors, for profit, nonprofit. Not for Agricultural.



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## Supplemental Targeted Advance

The Targeted EIDL Advance provides funds of up to \$5,000 (total of \$15,000 including the Targeted Advance) to applicants who:

- **Are in a low-income community.** To help applicants determine if the business address is in a low-income community, see mapping tool on next slide.
- **Can demonstrate more than 50% reduction in revenue** during an eight-week period beginning on March 2, 2020, or later. If an applicant meets the low-income community criteria, they will be asked to provide gross monthly revenue to confirm the 50% reduction.
- **Has 10 or fewer employees**
- Available for Sole Props, Independent contractors, for profit, nonprofit. Not for Agricultural.



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## Targeted Advance & Supplemental Targeted Advance

- Must apply for the EIDL (disaster loan)
- Must then wait for invitation email to complete application
- Complete application by following the link and instructions in the email
- If you received email, but lost it, call 800-659-2955
- Must have filed a 2019 tax return
- Be sure you watch your email



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### Sign in to Your Account

Access your SBA Economic Injury Disaster Loan Portal Account to review your application and track your loan status.

Username or email

Password

☐ Remember username/email [Forgot your password?](#)

**Sign in**

Questions? Call 1-800-659-2955 | TTY/TDD: 1-800-877-8339  
 Monday - Sunday, 8 a.m. - 8 p.m. ET

<https://covid19relief1.sba.gov/Account/Login?ReturnUrl=%2f>

**SBA**

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APPLICATION > PROCESSING > FUNDING

#### Your Quote

Status: **Eligible**

**\$350,000**

[Review and Accept the Amount](#)

#### Status

You are eligible. Please review the loan amount

#### Steps to Complete

Verify Identity Additional Information Needed	<b>Continue</b>
Electronic Disbursement Completed	<b>Edit</b>
Upload Documents Not Started	<b>Start</b>
Review and Sign Documents Not Started	<b>Start</b>

#### BUSINESS PROFILE

[Change Business](#)

Application #: 10333

Coconut Farm  
 67 PEACH ORCHARD LN  
 WASHINGTON VA 22747

**Questions?**

Call 1-800-659-2955  
 TTY/TDD: 1-800-877-8339  
 Monday-Sunday, 8 a.m.-8 p.m. ET

Email the SBA  
 disastercustomerservice@sba.gov

**SBA**

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U.S. Small Business Administration

Paul Brown

Home

Select Amount

\$350,000.00

Amount of Loan

\$1,000

\$350,000

Choose loan amount between \$1,000.00 and \$350,000.00.

LOAN BREAKDOWN

Term	Interest Rate	Payment Frequency
30 Year(s)	3.75%	Monthly
Repayment Start	Third Party Filing Fee	Payment Amount
24 Months After Closing	\$100.00	\$1,603.00

**NOTE TO APPLICANT:** Selecting a loan amount does not mean that your loan has been approved. Further review of the application will be conducted.

**Loan Disclosure**  
Loan Security Requirement: (i) \$1000 to \$25,000: Unsecured loan (ii) \$25,001 to \$200,000: Loan secured with all business assets (iii) \$200,001 and above: Loan secured with all business assets and Personal guarantees (Personal guarantees are not required for non-profit entities).

Accept

Cancel

BUSINESS PROFILE

Change Business

Application #: 10333

Coconut Farm

57 PEACH ORCHARD LN

WASHINGTON VA 22747

Questions?

Call 1-800-659-2955

TTY/TDD: 1-800-877-8339

Monday-Sunday, 9 a.m.-8 p.m. ET

Email the SBA

disastercustomerservice@sba.gov

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APPLICATION

PROCESSING

FUNDING

Your Quote

Status: Amount Confirmed

\$250,000

Change Amount

Status

Amount confirmed

Steps to Complete

Verify Identity	Additional Information Needed	Continue
Electronic Disbursement	Completed	Edit
Upload Documents	Not Started	Start
Review and Sign Documents	Not Started	Start

BUSINESS PROFILE

Change Business

Application #: 10333

Coconut Farm

57 PEACH ORCHARD LN

WASHINGTON VA 22747

Questions?

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TTY/TDD: 1-800-877-8339

Monday-Sunday, 9 a.m.-8 p.m. ET

Email the SBA

disastercustomerservice@sba.gov

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1. Application enters "Processing" stage

The screenshot shows the SBA application interface during the "Processing" stage. The top navigation bar includes the SBA logo, "U.S. Small Business Administration", and a user dropdown "Paul Brown". The main navigation tabs are "APPLICATION", "PROCESSING" (highlighted), and "FUNDING". The "Your Quote" section displays "Status: Amount Confirmed" and "\$250,000". The "Status" section shows a green box with "Your application is being processed". The "Steps to Complete" section lists four steps: "Verify Identity" (Completed, View), "Electronic Disbursement" (Completed, Edit), "Upload Documents" (Completed, Edit), and "Review and Sign Documents" (Completed, Edit). The "BUSINESS PROFILE" section on the right shows "Application #: 10333", "Coconut Farm", "57 PEACH ORCHARD LN", "WASHINGTON VA 22747", and contact information: "Call 1-800-659-2955", "TTY/TDD: 1-800-877-8339", "Monday-Sunday, 8 a.m.-8 p.m. ET", and "Email the SBA disastercustomerservice@sba.gov". The "AMERICA'S SBDC VIRGINIA ROANOKE REGION" logo is in the bottom left corner.

U.S. Small Business Administration

Paul Brown

APPLICATION > PROCESSING > FUNDING

**Your Quote**

Status: Amount Confirmed

\$250,000

**Status**

Your application is being processed

**Steps to Complete**

Verify Identity  
Completed View

Electronic Disbursement  
Completed Edit

Upload Documents  
Completed Edit

Review and Sign Documents  
Completed Edit

**BUSINESS PROFILE** Change Business

Application #: 10333

Coconut Farm  
57 PEACH ORCHARD LN  
WASHINGTON VA 22747

**Questions?**

Call 1-800-659-2955  
TTY/TDD: 1-800-877-8339  
Monday-Sunday, 8 a.m.-8 p.m. ET

Email the SBA  
disastercustomerservice@sba.gov

AMERICA'S SBDC VIRGINIA ROANOKE REGION

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The screenshot shows the SBA application interface during the "Funding" stage. The top navigation bar includes the SBA logo, "U.S. Small Business Administration", and a user dropdown "Paul Brown". The main navigation tabs are "APPLICATION", "PROCESSING", and "FUNDING" (highlighted). The "Your Quote" section displays "Status: Amount Confirmed" and "\$200,000". The "Status" section shows a green box with "Your application has been approved". The "Steps to Complete" section lists four steps: "Verify Identity" (Completed, View), "Electronic Disbursement" (Completed, Edit), "Upload Documents" (Completed, Edit), and "Review and Sign Documents" (Additional Information Needed, Continue). The "BUSINESS PROFILE" section on the right shows "Application #: 10333", "Coconut Farm", "57 PEACH ORCHARD LN", "WASHINGTON VA 22747", and contact information: "Call 1-800-659-2955", "TTY/TDD: 1-800-877-8339", "Monday-Sunday, 8 a.m.-8 p.m. ET", and "Email the SBA disastercustomerservice@sba.gov". The "AMERICA'S SBDC VIRGINIA ROANOKE REGION" logo is in the bottom left corner.

U.S. Small Business Administration

Paul Brown

APPLICATION > PROCESSING > FUNDING

**Your Quote**

Status: Amount Confirmed

\$200,000

**Status**

Your application has been approved

**Steps to Complete**

Verify Identity  
Completed View

Electronic Disbursement  
Completed Edit

Upload Documents  
Completed Edit

Review and Sign Documents  
Additional Information Needed Continue

**BUSINESS PROFILE** Change Business

Application #: 10333

Coconut Farm  
57 PEACH ORCHARD LN  
WASHINGTON VA 22747

**Questions?**

Call 1-800-659-2955  
TTY/TDD: 1-800-877-8339  
Monday-Sunday, 8 a.m.-8 p.m. ET

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disastercustomerservice@sba.gov

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APPLICATION > PROCESSING > **FUNDING**

### Your Quote

Status: **Funded**

**\$200,000**

### Status

**Funds have been disbursed to your account.**

**Request more funds**

### Steps to Complete

Verify Identity <small>Completed</small>	<a href="#">View</a>
Electronic Disbursement <small>Completed</small>	<a href="#">View</a>
Upload Documents <small>Completed</small>	<a href="#">View</a>
Review and Sign Documents <small>Completed</small>	<a href="#">View</a>

### BUSINESS PROFILE

[Change Business](#)

Application #: 10333

Coconut Farm  
57 PEACH ORCHARD LN  
WASHINGTON VA 22747

### Questions?

**Call 1-800-659-2955**  
**TTY/TDD: 1-800-877-8339**  
Monday-Sunday, 9 a.m.-8 p.m. ET

**Email the SBA**  
disastercustomerservice@sba.gov

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## How to make payments on loan

Set up online payments by completing an [SBA Form 1201 Borrower Payment on Pay.gov](#).

**Or** mail payments to:

U.S. Small Business Administration  
P.O. Box 3918 Portland, OR 97208-3918

When mailing payments, include:

Business Name  
Borrower's Name  
Borrower's Address  
Account Number  
Tax ID/EIN or SSN  
10-digit SBA Loan Number



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LET'S DO THIS!

**WE HELP YOU  
WITH BUSINESS  
SO YOU CAN GET  
ON WITH YOUR  
BIG IDEAS.**



[RoanokeSmallBusiness.org](https://RoanokeSmallBusiness.org)



[hello@roanokesmallbusiness.org](mailto:hello@roanokesmallbusiness.org)



540-632-1174



@RRSBDC