

U.S. Small Business Administration

Disaster Assistance For Small Business



Administrator Jovita Carranza

U.S. Small Business Administration

SBA's Disaster Declaration Makes Loans Available Due to COVID-19 effective March 18th

President Trump Signed CARES Act effective March 27th

SBA's Assistance for Small Business



Counseling >>>>> Business Training & Education

- SCORE, MSBDC & CWE



Capital >>>>> Access to Government Guaranties

- Microloans/Community Advantage
- 7(a)/Express, 504 Loan Programs
- Surety Bond Guaranty Program



Contracting >>>>> Selling to the U.S. Government

- 8(a) Business Development & HUBZone Certification



Disaster Assistance

- Physical Damage & Economic Injury Loans

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SBA's Disaster Assistance for Small Business



Paycheck Protection Program



Small Business Debt Relief



Economic Injury Disaster Loans & Grants



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Paycheck Protection Program

The Paycheck Protection Program is a $350 billion loan program that applies to:

- Small employers with 500 employees or fewer, as well as those that meet the current Small Business Administration (SBA) size standards
- Self-employed individuals and “gig economy” individuals; and
- Certain nonprofits, including 501(c)(3) organizations and 501(c)(19) veteran organizations, and tribal business concerns with under 500 employees.

Loan amount:

- The size of the loans equal 250% of an employer’s average monthly payroll, up to a maximum loan amount of $10 million.

Use of funds:

- Covered payroll costs include salary, wages, and payment of cash tips (up to an annual rate of pay of $100,000); employee group health care benefits, including insurance premiums; retirement contributions; and covered leave.
- Loans can also be used to pay interest payments on mortgage obligations, rent, utilities, and interest on other debt obligations previously incurred.



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Paycheck Protection Program

Reduced costs:

The cost of participation in the program is reduced for both borrowers and lenders by providing fee waivers, an automatic deferment of payments for 6 months, and no prepayment penalties.

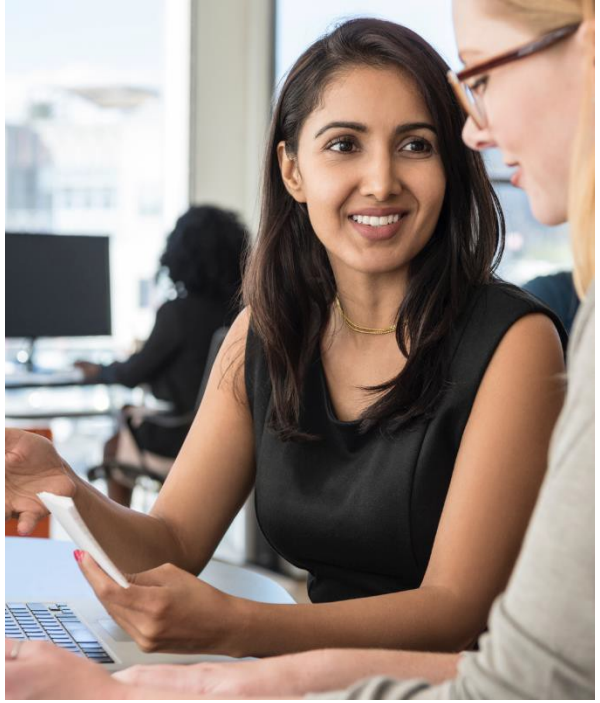
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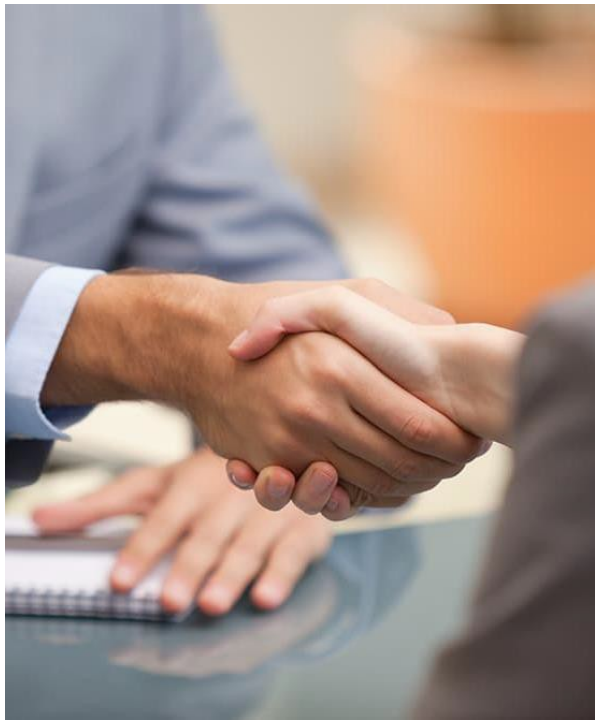
Loans are to be made available through more than existing SBA-certified lenders, including banks, credit unions, and other financial institutions, and SBA would be required to streamline the process to bring additional lenders into the program.

How to Apply:

You apply through any existing SBA 7(a) lender or through any federally insured depository institution, federally insured credit union, and Farm Credit System institution that is participating. Other regulated lenders will be available to make these loans once they are approved and enrolled in the program. Consult with the SBA resource partner network, your accountant, adviser or banker to prepare your application. The Paycheck Protection Program will be available through June 30, 2020.







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Small Business Debt Relief

This program will provide immediate relief to small businesses with non-disaster SBA loans, 7(a), 504, and microloans.

Under it, SBA will cover all loan payments on these SBA loans, including principal, interest, and fees, for six months.

This relief will also be available to new borrowers who take out loans within six months of the President signing the bill into law.



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Economic Injury Disaster Loans and Grants

On March 6, the U.S. Congress passed a COVID-19 preparedness and response supplemental funding bill that designated COVID-19 as a disaster under the Small Business Administration (SBA).

On March 27, Congress passed the CARES Act, waiving or relaxing several loan eligibility requirements.



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Economic Injury Disaster Loans and Grants

How much can I borrow?

Eligible entities may qualify for loans up to $2 million.

The interest rates for this disaster are:

- 3.75% for small businesses
- 2.75% for nonprofit organizations

Terms of the loans are decided on a case-by-case basis and on ability to repay, but they can have a maximum length of 30 years, and are based on a business' actual economic injury and financial needs.

Eligibility for these working capital loans are based on the size (must be a small business) and type of business and its financial resources. .

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How to Apply

- Applicants visit SBA's secure website at www.sba.gov/disaster

- Completed paper applications should be mailed to:

  U.S. Small Business Administration
  Processing and Disbursement Center
  14925 Kingsport Road
  Fort Worth, TX 76155

- 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.



Assistance From SBA Partners

- Free One-on-one business consulting, via Zoom, Skype, Phone, Email
- Assistance with applying for a Disaster Loan
- Each application and every business is different
- Assistance in preparing financial statements
- Updating your Business Plan
- Get a checkup for your business

For the nearest office, visit: www.sba.gov/local-assistance



SBA's Resource Partners: SCORE

Contact Chapters Statewide:

Boston
www.boston.score.org

Northeastern, MA
www.scorenemass.org

Cape Cod
www.capecod.score.org

Western,MA
www.westernmassachusetts.score.org

Southeastern, MA
www.sema.score.org

Worcester, MA
www.worcester.score.org

Experienced Volunteers Offering:

- Free and Confidential
- Marketing advice
- Business plan preparation
- Loan application assistance
- Online or in person counseling

SBA's Resource Partners: MSBDC

Statewide Regional Offices:

Pittsfield, MA

Worcester, MA

Salem, MA

Fall River, MA

Springfield, MA

SCHEDULE A REQUEST FOR COUNSELING VIRTUAL SESSION:
Go to: www.msbdc.org/rfc

About MSBDC:

- Free and Confidential
- Business plan and loan application assistance
- Combines resources of SBA, local government, private sector and academia
- Export and government contracting assistance.
- Typically located at colleges and universities: U-Mass Amherst and Boston, Salem State and Clark University

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Center for Women & Enterprise
Your Vision. Our Mission.

SBA's Resource Partners: Center for Women & Enterprise

www.cweonline.org

SCHEDULE A REQUEST FOR COUNSELING VIRTUAL SESSION:

Veterans Business Outreach Center (VBOC)

Locations:

CWE Eastern MA - Boston, MA
Info.EasternMA@CWEonline.org

CWE Central MA - Westborough, MA
Info.CentralMA@CWEonline.org

info.vboc@cweonline.org

U.S. SMALL BUSINESS ADMINISTRATION
VBOC
VETERANS BUSINESS OUTREACH CENTERS

Centers in Boston and Westborough provide:

- Classes on how to write a business plan
- Support in launching your business
- Networking with other business owners
- 2-hour topic-specific workshops
- One-on-one legal and business consulting

SUBSCRIBE

www.sba.gov/updates

Contact Information:

Massachusetts District Office
10 Causeway Street, RM265
Boston, MA 02222
(617) 565-5590
MassachusettsDO@sba.gov



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Thank You!