



### **Assistance contacts**

Phone: 800-659-2955 7a to 9p ET seven days a week

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

Phone: 800-659-2955 7a to 9p ET seven days a week

Individuals who are deaf or hard-of-hearing can call 800-877-8339

Wisconsin's SBA office will also offer daily webinars starting Saturday, March 21 to answer your questions—we'll be sharing registration information shortly.

For more local assistance, go to last page.

## **Frequent Questions and Answers**

### **Economic Injury Disaster Loans (EIDL)**

#### **What is an Economic Injury Disaster Loan?**

It is a low-interest federal loan issued by the SBA to alleviate economic injury small businesses or private non-profits are experiencing injury and, in this case, injury caused by the Coronavirus (COVID-19). They become available once a county or state gets an Economic Injury Disaster Loan assistance declaration also issued by the SBA.

More information can be found at <https://disasterloan.sba.gov/ela/Information/EIDLLoans>.

#### **How does a small business apply for an EIDL?**

The SBA highly recommends using the online loan application, which can be found at <https://disasterloan.sba.gov/ela/>.

#### **How does a business qualify for an EIDL?**

Many factors go into qualifying for an EIDL. A primary one is that a small business has to show a loss effective January 31, 2020, to now and/or in the future, as compared to 2019 financials.

#### **What forms are needed for the loan application?**

The SBA highly recommends using the online loan application, which can be found at <https://disasterloan.sba.gov/ela/>.

Small businesses will also need the following:

- Tax Information Authorization ([IRS Form 4506T](#)) for the applicant, principals and affiliates.
- Complete copies of the most recent Federal Income Tax Return.
- Schedule of Liabilities ([SBA Form 2202](#)).
- Personal Financial Statement ([SBA Form 413](#)).
- Profit and loss statements

- Monthly sales figures ([SBA Form 1368](#))

For those with limited web/online capabilities, paper forms can be found at <https://disasterloan.sba.gov/ela/Information/PaperForms>.

### **What can an EIDL be used for?**

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.

### **What are the interest rates for EIDLs?**

The interest rate is 3.75% for small businesses and the interest rate for nonprofits is 2.75%.

### **When does the business have to start paying back the loan?**

EIDLs repayment is deferred for twelve months. Interest accrues during this period. Further, SBA offers loans with long-term repayments 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.

### **What banks are authorized to offer these economic injury disaster loans?**

The SBA offers the economic injury disaster loans, not banks. Small businesses should apply for Economic Injury Disaster Loans at <https://disasterloan.sba.gov/ela/>.

Traditional SBA-backed loans are available as well; to find an SBA-approved lender, visit [www.sba.gov/lendermatch](http://www.sba.gov/lendermatch).

### **What is the limit each state can receive? What about each business?**

The SBA is available to assist all small businesses across the nation and does not have a total cap on the loan amounts; each qualifying small business can apply for a loan of up to \$2M to assist with economic recovery. There is no state or territory limit.

### **What is the process for and turnaround time from loan application to receiving the funds?**

The loan process can be found at the link below and turnaround time is approximately five days for review and the receipt of funds once the loan is approved takes approximately 3 weeks.

Loan process:

[https://disasterloan.sba.gov/ela/Documents/Three\\_Step\\_Process\\_SBA\\_Disaster\\_Loans.pdf](https://disasterloan.sba.gov/ela/Documents/Three_Step_Process_SBA_Disaster_Loans.pdf)

**With the social distancing recommendations and closures, how will SBA's disaster team help small business owners get their loan applications in and processed?** As much as possible, applications and processing is being done online/virtually. SBA's offices are available to assist borrowers, and SBA's funded Wisconsin resource partners can also help. See contact information chart at the end of this document.

**Since the Federal Reserve lowered its target for the federal funds rate to nearly 0% this week, why is it that the SBA EIDL rate set to 3.75%? Aren't these direct loans from the SBA? What entity is making the 3.75% interest? Is it possible that the interest rate will be lowered soon?**

This level is set by Congress. If Congress acts to adjust it, the SBA will do so per the action.

**How is the disaster loan amount determined?**

A: SBA will look at the last three years historical to determine what the business could have paid if the disaster would not have occurred. The loan funds will not provide for lost sales.

**Q: Is the interest rate fixed?**

A: Yes

**Q: Can there be interest only payments on the disaster loan?**

A: There is 12 months of payment deferral automatically built into the disaster loan that begins from the date of the Note, but interest accrues.

**Q: Is there a certain time period that the business needs to be in operation?**

A: No, however the business will need the appropriate business and financial documentation required that shows it is a viable business.

**Q: Is there a different business size standard for disaster loans than the SBA 7a program?**

A: No, same size standard as the 7a program.

**Q: What is the time frame for businesses to receive funds once the application package is submitted?**

A: The typical timeframe is 21 days for a decision on the application package as long as all information is provided accurately by the applicant. After decisioning, SBA legal prepares the closing documents to send to the borrower. After receipt of the signed documents the funds are direct deposited typically in 3 -5 business days. If collateral is required for the loan SBA will prepare a partial disbursement of \$25,000 to submit to the borrower and release the remaining funds once all collateral is appropriately secured.

**Q: Is there reconsiderations made if the loan is denied?**

A: Yes. An example would be if the loan was turned down for insufficient income and the owner would like to add on a co-borrower, such as a spouse.

**Q: What if an applicant is approved for the loan but withdraws their application. Do they have to re-apply all over again?**

A: The applicant will have up to 6 months to reactivate their loan that was approved.

**Q: Should applicants complete a paper application beforehand and send in once a disaster is declared for the area their business is located?**

A: Yes, however completing the application online electronically ensures a faster process. If SBA receives the paper application a staff member needs to input the information into the electronic application system. This will slow down the application process.

**Q: To meet the credit available elsewhere that is required does the applicant need to be turned down by a lender?**

A: No. SBA will complete the thorough analysis to determine this based on the information provided by the applicant.

**Q: If using a joint tax return and the spouse is not an owner of the business does the spouse need to sign the 4506?**

A: No.

**Q: If the business has insurance that will provide loss proceeds will this become a problem during application?**

A: No, if insurance proceeds are disbursed to the business after the loan is funded those proceeds would be used to pay down on the disaster loan.

**Q: I've read that private non-profits are eligible for this loan program. Is that true?**

Yes, that is correct. SBA Wisconsin is seeking more information for non-profits and will share as soon it's available. Visit [www.sba.gov/disaster](http://www.sba.gov/disaster) for more information.

## Business Operations Continuity-related

### What are some things businesses can do to prepare and/or stay afloat? Are you seeing any innovative/creative strategies/solutions they're using?

All businesses should have a preparedness plan in place for any type of disruption. Proper planning helps to protect employees, lessen the financial ramifications, and help the business continue to support economic recovery in the community. Visit [www.sba.gov/coronavirus](http://www.sba.gov/coronavirus) for more resources.

Specific guidance on:

- **Capital Access** – We understand this situation can strain your capacity to make payroll, maintain inventory and respond to market fluctuations. With the state declaration, we encourage you to apply for an SBA Economic Injury Disaster Loan. Also, traditional SBA-backed lending is still available and we can help you with that.
- **Workforce** – Your workers are just as impacted as you are and job functions/ responsibilities are likely changing. Keep this in mind as you work through your operations.
  - For issues related to your workforce, including safety, wages, unemployment, check in with the Department of Labor at <https://www.dol.gov/coronavirus>.
  - For mental health issues, visit the U.S. Department of Health and Human Services [Substance Abuse and Mental Health Services Administration](https://www.samhsa.gov/finding-treatment) (<https://www.samhsa.gov/finding-treatment>).
- **Insurance Coverage**– If you have business interruption insurance, now is the time to contact your insurance agent to review your policy to understand precisely what you are and are not covered for in the event of an extended incident.
- **Marketing** – Communicate openly with your customers about the status of your operations, what protective measures you've implemented, and what you're doing to keep your customers protected and meet their needs.
- **Plan** – Prepare a plan for what you will do as this situation evolves, including worsens or improves.

### What should a small business do to keep its employees and customers safe?

We want to emphasize that public health is the priority and we're encouraging small businesses to do their part to keep their employees, customers and themselves healthy by following the Centers for Disease Control and Prevention's [most up-to-date information on COVID-19](#), as well as [Guidance for Businesses and Employers to Plan and Respond](#).

Also, the Department of Labor has provided details on workplace safety, leave and additional general resources at <https://www.dol.gov/coronavirus>.

### What should a small business do to avoid being victimized?

Small businesses should ensure that anyone promising assistance is legitimate. The FTC has this page to help businesses protect against scams: [www.ftc.gov/coronavirus](http://www.ftc.gov/coronavirus). More resources for cyber scams can be found here: <https://www.us-cert.gov/ncas/current-activity/2020/03/06/defending-against-covid-19-cyber-scams>

**Is the SBA offering other type of assistance beyond financial help?**

Yes, as it has for more than 65 years, the SBA is offering ongoing assistance for small businesses across the country to help them start, grow, expand and recover. This includes various trainings and education offerings, financial and preparedness planning, supply chain assistance and the like. Small businesses should contact Wisconsin'

ORGANIZATION	LOCATIONS	PHONE	EMAIL
SBA	Milwaukee Madison	414-297-3941 608-441-5263	Wisconsin@sba.gov
SBDC Network	13 offices statewide	Answerline 800-940-7232	Find local contacts at <a href="https://business.wisconsin.edu/about/covid-19/">https://business.wisconsin.edu/about/covid-19/</a>
WI Women’s Business Initiative Corp.	Milwaukee, Madison, Racine, Kenosha, Appleton, Green Bay, La Crosse		<a href="http://www.wwbic.com">www.wwbic.com</a> info@wwbic.com
Western WI Women’s Business Center	Independence, Eau Claire		<a href="http://www.successfulbusiness.org">www.successfulbusiness.org</a>
SCORE	Milwaukee Madison  Marshfield	414-297-3942	<a href="mailto:Score.28@scorevolunteer.org">Score.28@scorevolunteer.org</a> <a href="mailto:Counseling.28@scorevolunteer.org">Counseling.28@scorevolunteer.org</a> <a href="mailto:madison.Score@scorevolunteer.org">madison.Score@scorevolunteer.org</a> <a href="mailto:ch.admin0535@scorevolunteer.org">ch.admin0535@scorevolunteer.org</a>
Veterans Business Outreach Center	Statewide	608-204-8909	<a href="mailto:ltaylor@wwbic.com">ltaylor@wwbic.com</a>

**Where should a small business go to find additional resources for help?**

Small businesses should stay up to date with SBA’s ongoing assistance by following @SBA\_Wisconsin on Twitter and subscribing to the district newsletter via [www.sba.gov/updates](http://www.sba.gov/updates) using their zip code. Also, small businesses can find local educational and counseling resources via [www.sba.gov/localassistance](http://www.sba.gov/localassistance).



U.S. Small Business  
Administration

# NEWS RELEASE

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## Disaster Field Operations Center East

**Release Date:** March 20, 2020

**Contact:** Michael Lampton (404) 331-0333

[Michael.Lampton@sba.gov](mailto:Michael.Lampton@sba.gov)

**Release Number:** 20-315, WI 16363

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### SBA Offers Disaster Assistance to Wisconsin Small Businesses Economically Impacted by the Coronavirus (COVID-19)

**ATLANTA** – The U.S. Small Business Administration is offering low-interest federal disaster loans for working capital to **Wisconsin** small businesses suffering substantial economic injury as a result of the Coronavirus (COVID-19), SBA Administrator Jovita Carranza announced today. SBA acted under its own authority, as provided by the Coronavirus Preparedness and Response Supplemental Appropriations Act that was recently signed by the President, to declare a disaster following a request received from Gov. Tony Evers on March 18, 2020.

The disaster declaration makes SBA assistance available in the entire state of **Wisconsin**; and the contiguous counties of Boone, Jo Daviess, Lake, McHenry, Stephenson and Winnebago in **Illinois**; Allamakee, Clayton y Dubuque in **Iowa**; Dickinson, Gogebic, Iron y Menominee in **Michigan**; Carlton, Chisago, Dakota, Goodhue, Houston, Pine, Saint Louis, Wabasha, Washington and Winona in **Minnesota**.

“SBA is strongly committed to providing the most effective and customer-focused response possible to assist **Wisconsin** small businesses with federal disaster loans. We will be swift in our efforts to help these small businesses recover from the financial impacts of the Coronavirus (COVID-19),” said Administrator Carranza.

SBA Customer Service Representatives will be available to answer questions about SBA’s Economic Injury Disaster Loan program and explain the application process.

“Small businesses, private non-profit organizations of any size, small agricultural cooperatives and small aquaculture enterprises that have been financially impacted as a direct result of the Coronavirus (COVID-19) since Jan. 31, 2020, may qualify for Economic Injury Disaster Loans of up to \$2 million to help meet financial obligations and operating expenses which could have been met had the disaster not occurred,” said Carranza.

“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. Disaster loans can provide vital economic assistance to small businesses to help overcome the temporary loss of revenue they are experiencing,” Carranza added.

Eligibility for Economic Injury Disaster Loans is based on the financial impact of the Coronavirus (COVID-19). The interest rate is 3.75 percent for small businesses. The interest rate for private non-profit organizations is 2.75 percent. SBA offers loans with long-term repayments in order to keep

payments affordable, up to a maximum of 30 years and are available to entities without the financial ability to offset the adverse impact without hardship.

**Applicants may apply online, receive additional disaster assistance information and download applications at <https://disasterloan.sba.gov/ela>. Applicants may also call SBA's Customer Service Center at (800) 659-2955 or email [disastercustomerservice@sba.gov](mailto:disastercustomerservice@sba.gov) for more information on SBA disaster assistance. Individuals who are deaf or hard-of-hearing may call (800) 877-8339. Completed applications should be mailed to U.S. Small Business Administration, Processing and Disbursement Center, 14925 Kingsport Road, Fort Worth, TX 76155.**

The deadline to apply for an Economic Injury Disaster Loan is **Dec. 21, 2020**.

For more information about Coronavirus, please visit: [Coronavirus.gov](https://www.coronavirus.gov).

For more information about available SBA resources and services, please visit: [SBA.gov/coronavirus](https://www.sba.gov/coronavirus).

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#### **About the U.S. Small Business Administration**

The U.S. Small Business Administration makes the American dream of business ownership a reality. As the only go-to resource and voice for small businesses backed by the strength of the federal government, the SBA empowers entrepreneurs and small business owners with the resources and support they need to start, grow or expand their businesses, or recover from a declared disaster. It delivers services through an extensive network of SBA field offices and partnerships with public and private organizations. To learn more, visit [www.sba.gov](https://www.sba.gov).



## Centro de Operaciones para Desastres del Este

Fecha: 20 de marzo de 2020

Contacto: Michael Lampton (404) 331-0333

[Michael.Lampton@sba.gov](mailto:Michael.Lampton@sba.gov)

Comunicado Núm: 20-316, WI 16363

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### La SBA ofrece asistencia en caso de desastre a las pequeñas empresas de Wisconsin afectadas económicamente por el Coronavirus (COVID-19)

**Atlanta** - La Agencia Federal para el Desarrollo de la Pequeña Empresa (SBA) por sus siglas en inglés, ofrece préstamos federales de bajo interés para capital de trabajo a las pequeñas empresas de **Wisconsin** que sufren un daño económico sustancial como resultado de la enfermedad del coronavirus (COVID-19), anunció hoy la administradora de SBA, Jovita Carranza. SBA actuó bajo su propia autoridad, según lo dispuesto por la Ley de Asignaciones Suplementarias para la Preparación y Respuesta ante el Coronavirus que fue firmada recientemente por el Presidente, para declarar un desastre a raíz de una solicitud recibida del Gobernador Tony Evers el 18 de marzo de 2020.

La declaración de desastre hace que la asistencia de SBA esté disponible en todo el estado de **Wisconsin**; y en los condados contiguos de Boone, Jo Daviess, Lake, McHenry, Stephenson y Winnebago en **Illinois**; y Allamakee, Clayton y Dubuque en **Iowa**; y Dickinson, Gogebic, Iron y Menominee en **Michigan**; y Carlton, Chisago, Dakota, Goodhue, Houston, Pine, Saint Louis, Wabasha, Washington y Winona en **Minnesota**.

"SBA está firmemente comprometida a proporcionar la respuesta más eficaz y centrada en el cliente posible para ayudar a las pequeñas empresas de **Wisconsin** con los préstamos federales para catástrofes. Seremos rápidos en nuestros esfuerzos para ayudar a estas pequeñas empresas a recuperarse de los impactos financieros por la enfermedad del coronavirus (COVID-19)", dijo la Administradora Carranza.

Los representantes de servicio al cliente de SBA estarán disponibles para responder preguntas sobre el programa de préstamos para desastres por daños económicos de SBA y explicar el proceso de solicitud.

"Las pequeñas empresas, las organizaciones privadas sin fines de lucro de cualquier tamaño, las pequeñas cooperativas agrícolas y las pequeñas empresas de acuicultura que han sido afectadas financieramente como resultado directo de la enfermedad del coronavirus (COVID-19) desde el 31 de enero de 2020, pueden calificar para recibir préstamos para desastres por daños económicos de hasta 2 millones de dólares para ayudar a cumplir con las obligaciones financieras y los gastos de funcionamiento que podrían haber sido satisfechos si el desastre no hubiera ocurrido", dijo Carranza.

"Estos préstamos pueden ser usados para pagar deudas fijas, nómina, cuentas por pagar y otras cuentas que no pueden ser pagadas debido al impacto del desastre. Los préstamos para desastres pueden proporcionar una ayuda económica vital a las pequeñas empresas para ayudar a superar la pérdida temporal de ingresos que están experimentando", añadió Carranza.

La elegibilidad para los Préstamos para Daños Económicos por Desastre se basa en el impacto financiero la enfermedad del coronavirus (COVID-19). La tasa de interés es del 3.75 por ciento para las pequeñas empresas. La tasa de interés para las organizaciones privadas sin fines de lucro es del 2.75 por ciento. SBA ofrece préstamos con repago a largo plazo para mantener los pagos asequibles, hasta un máximo de 30 años y están disponibles para entidades sin capacidad financiera para compensar el impacto adverso sin dificultades.

Los solicitantes pueden presentar su solicitud en línea, recibir información adicional sobre asistencia en casos de desastre y descargar las solicitudes en <https://disasterloan.sba.gov/ela>. Los solicitantes también pueden llamar al Centro de Servicio al Cliente de SBA al (800) 659-2955 o enviar un correo electrónico a [disastercustomerservice@sba.gov](mailto:disastercustomerservice@sba.gov) para obtener más información sobre la asistencia para desastres de SBA. Las personas sordas o con problemas de audición pueden llamar al (800) 877-8339. Las solicitudes completas deben enviarse por correo a la Administración de Pequeñas Empresas de los Estados Unidos, Centro de Procesamiento y Desembolso, 14925 Kingsport Road, Fort Worth, TX 76155.

La fecha límite para solicitar un Préstamo para Daños Económicos por Desastre es el **21 de diciembre de 2020**.

Para más información sobre el Coronavirus, por favor visite: [Coronavirus.gov](https://www.coronavirus.gov).

Para más información sobre los recursos y servicios disponibles de SBA, por favor visite: [SBA.gov/coronavirus](https://www.sba.gov/coronavirus).

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### **Acerca de la Administración de Pequeñas Empresas de los Estados Unidos**

La Administración de Pequeñas Empresas de EE.UU. hace realidad el sueño americano de ser propietario de un negocio. Como el único recurso y la única voz para las pequeñas empresas respaldada por la fuerza del gobierno federal, SBA otorga a los empresarios y propietarios de pequeñas empresas los recursos y el apoyo que necesitan para iniciar, hacer crecer o expandir sus empresas, o para recuperarse de un desastre declarado. Presta servicios a través de una amplia red de oficinas locales de SBA y de asociaciones con organizaciones públicas y privadas. Para obtener más información, visite [www.sba.gov](https://www.sba.gov).