



U.S. Small Business  
Administration

## SBA Disaster Assistance in Response to the Coronavirus

The U.S. Small Business Administration is now offering low-interest federal disaster loans to small businesses in Iowa that are suffering substantial economic injury as a result of the Coronavirus (COVID-19). Economic Injury Disaster Loans (EIDL) provide working capital to help small businesses, small agricultural cooperatives, small businesses engaged in aquaculture, and most private, non-profit organizations. These loans may be used to pay fixed debts, payroll, accounts payable and other bills that cannot be paid because of the disaster's impact.

Following is important information about the Economic Injury Disaster Loan:

- **Application filing deadline:** **December 21, 2020**
- **Interest Rates:** The interest rate is determined by formulas set by law and is fixed for the life of the loan. The maximum interest rate for this disaster is 3.75% for small businesses and 2.75% for non-profits.
- **Loan Terms:** The law authorizes loan terms up to a maximum of 30 years in order to keep payments affordable. Terms of the loan are determined by SBA on a case-by-case basis, based upon each borrower's ability to repay.
- **Loan Amount Limit:** The law limits Economic Injury Disaster Loans to \$2,000,000 for alleviating economic injury caused by the disaster. The actual amount of each loan is limited to the economic injury determined by SBA, less business interruption insurance and other recoveries up to the administrative lending limit. SBA also considers potential contributions that are available from the business and/or its owner(s) or affiliates. If a business is a major source of employment, SBA has the authority to waive the \$2,000,000 statutory limit.
- **Credit Requirements:**
  - **Credit History:** Applicants must have a credit history acceptable to SBA.
  - **Repayment:** Applicants must show the ability to repay the loan.
  - **Collateral:** Collateral is required for all EIDL loans over \$25,000. SBA takes real estate as collateral when it is available. SBA will not decline a loan for lack of collateral, but SBA will require the borrower to pledge collateral that is available.
- You can apply for the Economic Injury Disaster Loan online. Go to <https://disasterloan.sba.gov/ela> to apply.
- For additional information, please contact the SBA disaster assistance customer service center. Call 1-800-659-2955, or e-mail [disastercustomerservice@sba.gov](mailto:disastercustomerservice@sba.gov).
- Please visit <https://SBA.gov/disaster> for more information.