Coronavirus Aid, Relief and Economic Security Act (CARES Act)- Economic Injury Disaster Loans (EIDL)/ EIDL Grants- First Rough Draft

1) **Covered Period** is January 31, 2020 to December 31, 2020.
2) **Eligible Entity** includes
   a) a business with no more than 500 employees
   b) any individual operating as a sole proprietorship, with or without employees, or as an independent contractor
3) During the **Covered Period**, **Eligible Entities** are eligible for a Small Business Administration loan in response to COVID-19.
4) No personal guarantees on advances and loans up to $200,000.00 during the **Covered Period**.
5) No requirement that the business must have existed for 1 year before the disaster, but business must have been operating on January 31, 2020.
6) No requirement that an applicant be unable to obtain credit elsewhere.
7) **For Small Dollar Loans (Up To $350,000.00)**, An applicant may be approved solely based upon the applicant’s credit score without a requirement to submit a tax return or tax return transcript. If not, alternative methods can be utilized to determine an applicant’s ability to pay.
8) During the **Covered Period**, an applicant requesting a loan due to COVID-19 may request **Up To A $10,000.00 advance (Emergency Grant) to be provided within 3 days after the loan application is submitted**.
9) **Use Of Advance (Emergency Grant)** Includes
   a) providing sick pay leave to employees due to direct effect of COVID-19
   b) maintaining payroll to retain employees during business disruptions or significant slowdowns
   c) paying increased costs to obtain materials not available from original sources
   d) making rent and mortgage payments
   e) repaying obligations that can’t be met due to revenue losses
11) **An applicant will not be required to repay any part of the Advance (Emergency Grant) even if later denied a loan.**
12) If approved for a loan, the loan forgiveness amount for a loan for payroll costs will be reduced by the **Advance (Emergency Grant) amount**.