



One Eastside
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Train the Trainer Webinar

Update on SBA Economic Injury Disaster Loan (EIDL) Program

September 8, 2021 | 9:30 – 10:30 AM

Simultaneous Interpretation Provided

- العربية Arabic • 中文简体 – Chinese • 한국어 – Korean • русский язык – Russian
Soomaali - Somali • Español - Spanish • Tiếng Việt - Vietnamese

OUR WEBINAR WILL BEGIN SHORTLY



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**KRISTINA
HUDSON**
CEO
OneRedmond





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Simultaneous Interpretation

- Webinar simulcast in 8 languages
- For viewing in English click on the **Interpretation Icon** on the Zoom toolbar and select **English**





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العربية

Arabic

Simultaneous Interpretation





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中文简体
Mandarin

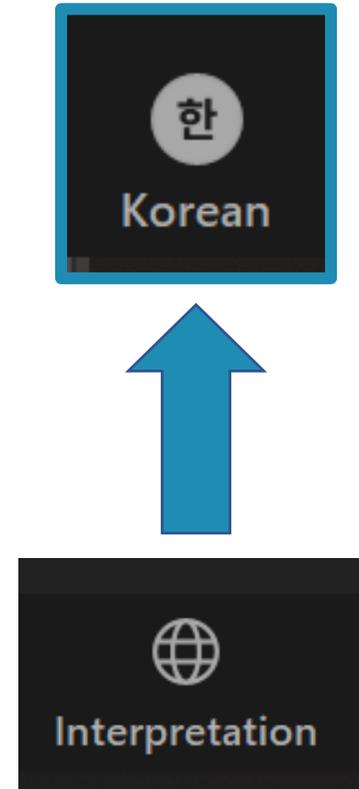




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한국어
Korean

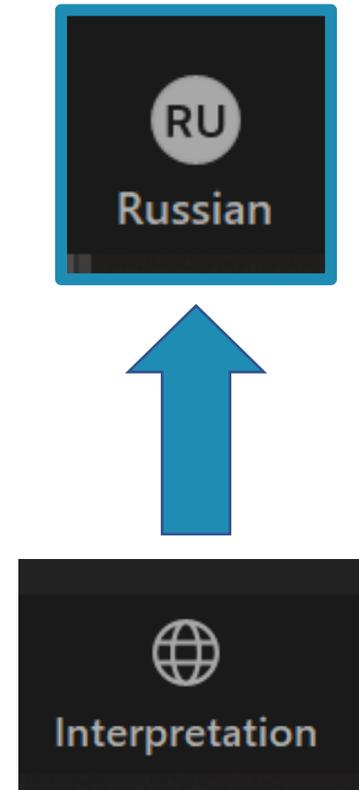




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РУССКИЙ ЯЗЫК
Russian

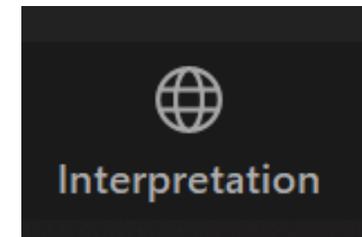
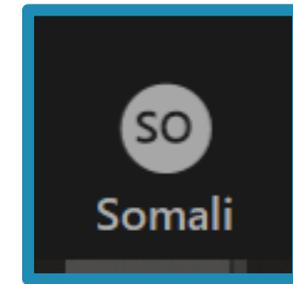




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Simultaneous Interpretation

Soomaali
Somali





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Simultaneous Interpretation

Español
Spanish





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Tiếng Việt
Vietnamese





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SPECIAL THANKS!





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*Center for Business
Resilience and Innovation*

www.OneEastside.org/SPARK

OneEastside SPARK: *Center for Business Resilience and Innovation*
provides our small businesses and nonprofits with essential support to
recover and grow!

Offerings include:

- Programs and webinars in collaboration with our partners
- Database of financial opportunities and other resources
- Businesses and non-profit are invited to connect with your peers on our Facebook Group <https://tinyurl.com/OneEastside-SPARK-Group>
- No cost one-on-one advising services



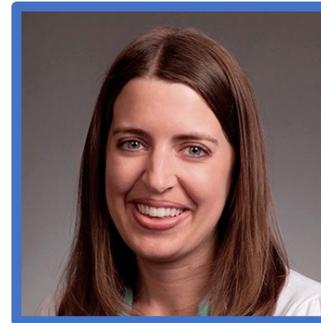
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Need to talk to a CPA?

Receive up to two hours of tax and accounting advising

Sarah Huang
Clark Nuber PS



Contact OneEastside SPARK Program Manager **Samantha Paxton** at
samanthap@oneeastside.org, (425) 885-4014 ext 5 for more information



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***Confidential, No Cost
One-on-One Advising***

Need help promoting your business?

Connect with our OneEastside SPARK Marketing Advisor

Daphné Leblanc
Social Media Strategist



Contact OneEastside SPARK Program Manager **Samantha Paxton** at
samanthap@oneeastside.org, (425) 885-4014 ext 5 for more information



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General business questions?

**Connect with our East King County Small Business
Development Center (SBDC) Business Advisor**

Shawn Palmer

ASBC, MSML | Business Advisor

Washington Small Business Development Center



Contact Shawn at shawnp@oneeastside.org (425) 885-4014 ext 3

Past Webinars

<https://oneeastside.org/Programs>



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How to Find Your Next Employee Using Social Media



How to Optimize Your Pricing Strategy to Maximize Profits



New SBA PPP Forgiveness Portal



How to Use the SmartWA Decision Tool to Enhance Revenue

Upcoming Events

<https://oneeastside.org/Programs/>



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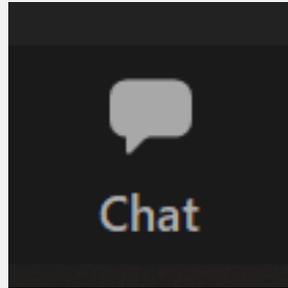
- 17 Equitable Economic Development: Embracing Opportunities for Our Region**
Hosted in collaboration with Eastside for All, the cities of Bellevue, Issaquah, Kirkland, Redmond, Sammamish, King County Library System, and the Enterprise Welcoming Group.

- 23 Best Practices for Recruiting Your Next Employee in the Hospitality Industry**

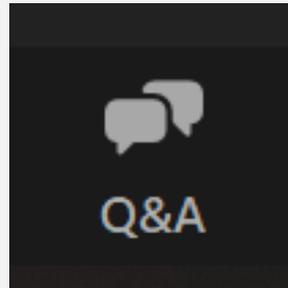
- 25 Boost your Business: Tools and Resources for Going Digital**
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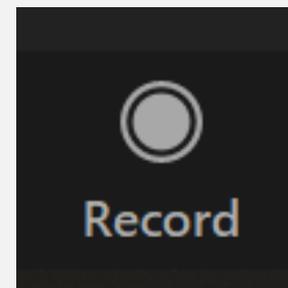
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Need technical help during
the webinar?
Use the **Chat Box**



Questions for the
Speakers?
Use the **Q&A Box**



Recording will be available
following the webinar

Disclaimer

To the best of our knowledge, this information was correct at the time of this webinar on September 8, 2021 at 9:30am.

Given the responsive nature of these Federal COVID-Relief programs and related changing guidelines, be aware that some of this information may have changed.

Please visit the SBA website for the latest updates at www.sba.gov.

TRAIN THE TRAINER WEBINAR

*SBA Economic Injury Disaster (EIDL)
Program Update*

**Sample In Language
Applications and FAQs**

<https://oneeastside.org/program/update-on-covid-eidl/>

Live interpretation available

ةحاتم ةيروفلا ةم جرتلا

提供現場翻譯

실시간 통역 가능

Доступен перевод в прямом эфире

Turjumaad toos ah ayaa la heli karaa

Interpretación en vivo disponible

Có giải thích trực tiếp



Q&A



Melanie Norton

U.S. Small Business Administration (SBA)



Janie Sacco

U.S. Small Business Administration (SBA)



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**Melanie
Norton**

**U.S. Small Business
Administration
Seattle District Office**





U.S. Small Business
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Resources to Empower Entrepreneurs & Small Businesses

START • GROW • EXPAND • RECOVER

September 8, 2021

**The SBA works to ignite change and spark action
so small businesses can confidently**



START • GROW • EXPAND • RECOVER

SBA COVID-19 Economic Relief

www.sba.gov/relief



Economic Injury Disaster Loans and Advance Programs

www.sba.gov/eidl

Economic Injury Disaster Loans



U.S. Small Business
Administration

EIDL

Low-interest loan
3.75% interest
30 years

Targeted Advance

\$10,000 grant
Low-income community
30% reduction in revenue
300 or fewer employees

Supplemental Advance

\$5,000 grant
Low-income community
50% reduction in revenue
10 or fewer employees

The SBA Resource Partner Network

Access the right tools at the right time—wherever you are.



Approved and funded by the SBA



1,400+ partner offices nationwide



Find local resource partners near you at
[SBA.gov/local-assistance](https://www.sba.gov/local-assistance)
[SBA.gov/wa](https://www.sba.gov/wa)





Boon Boona Coffee

Renton, WA



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Stay Connected

SBA.gov/updates or text “SBA” to GOV311
@SBASeattle ▪ www.SBA.gov/wa
(206) 553-7310 ▪ infosdo@sba.gov



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**Janie
Sacco**

**U.S. Small Business
Administration
Seattle District Office**





U.S. Small Business
Administration

Economic Injury Disaster Loan (EIDL) Overview & Updates

09.08.2021

COVID EIDL Program Overview

- The Economic Injury Disaster Loan (EIDL) Program was the first COVID-19 funding product offered by the SBA to help deal with the financial impact of COVID on businesses
- There were 2 components: the loan and EIDL Advance grant program for up to \$10,000
- These products they have and continue to evolve to meet the changing needs of business community
- Examples of this are the more streamlined application that was introduced early in 2020, the changes in the application process, and the introduction of the Targeted EIDL Advance and Supplemental Advance Programs in 2021

COVID EIDL Program Overview

- This program offers two categories for small business loans:

Product Category	Micro	Full
Loan Size	\$1,000 - \$25,000	>\$25,000 to \$500,000
Application Requirements	<ul style="list-style-type: none">• No collateral no personal guarantee• Mobile-friendly application	<ul style="list-style-type: none">• Collateral required >\$25,000• Personal guarantee required >\$200,000• Mobile-friendly application not permitted

COVID EIDL Loan Terms

Category	Micro	Full
Amount	\$1,000 - \$25,000	>\$25,000 to \$500,000
Interest	3.75% (business) 2.75% (non-profit)	
Repayment Period	30 years	
Deferment	Up to 24 months	
Requirements	Collateral: None Personal Guarantee: None	Collateral: >\$25,000 Personal Guarantee: >\$200,000
Use	Normal Operating Expenses Payroll, Rent/Mortgage, Utilities, Cost of Goods Sold, Commercial Debt, Working Capital <i>Note: You may not use the funds to expand your business</i>	

What Type of Organizations Are Eligible?

- Small businesses that, including affiliates, have 500 or fewer employees or are defined as small per SBA size standards
- Sole proprietorships and independent contractors
- Cooperatives that, including affiliates, have 500 or fewer employees
- Employee Stock Ownership Plans (ESOPs) that, including affiliates, have 500 or fewer employees
- Tribal small business concerns with 500 or fewer employees.
- Agricultural enterprises with 500 or fewer employees
- Most privately owned non-profit organizations, including religious non-profits, are eligible regardless of size if they meet the other program eligibility requirements

Other Eligibility Requirements?

- Credit score of 570 or above
- In business or evidence of investment to be in business on or before January 31, 2020
- All owners of 20% or more of the business must have one of the following:
 - If the owner is a legal entity: Employer Identification Number (EIN)
 - If the owner is an individual:
 - US citizenship with either Social Security Number (SSN); or
 - Non-US citizen who resides in the U.S. and is classified as a “non-citizen national” or “qualified alien.” Qualified aliens include permanent residents with a current green card

What Document Do I Need to Apply - 1?

- **If you were “in operation” before Jan. 1, 2020:**
 - 2019 Federal Income Taxes for the applicant business (required)
 - 2020 Federal Income Taxes for the applicant business (if available)
 - IRS Form 4506-T (You will complete this online when you apply)

NOTE: Very important that you review the SBA “Tips for Completing the IRS 4506-T Form” before submitting. If completed incorrectly this WILL delay processing of your application

What Document Do I Need to Apply - 2?

- **If you started being “in operation” on or between Jan. 1, 2020, and Jan. 31, 2020:**
 - 2020 Federal Income Taxes for the applicant business (if available)
 - If 2020 Federal Income Taxes for the applicant business are not available, you must submit internally or externally prepared business financial statements including balance sheet and profit and loss statement.
 - “In operation” includes businesses that were in an organizing stage but had not yet opened for business. Evidence that you were in an organizing stage includes business licenses, contractual agreements, purchase orders for machinery and equipment, advertisements, and employment classified ads. You may be asked to provide this documentation to prove your business was in operation on or prior to Jan. 31, 2020.

How Much Can I Borrow?

Your maximum loan amount is determined by a formula based on business type and date you began operations. This amount is auto-calculated in the EIDL Online Application

General Economic Injury Formula:

$(2019 \text{ Revenue} - 2019 \text{ Cost of Goods Sold}) \times 2 = \text{Max Loan Amount}$

Tax Return Reference Table

Entity Type	IRS Form	Gross Receipts	Costs of Goods Sold	Expenses
Self-employed	1040 Schedule C	Line 1	Line 4	N/A
Self-employed	1040 Schedule F	Line 9	N/A	Line 33
S-Corporation	1120-S	Line 1a	Line 2	N/A
C-Corporation	1120	Line 1a	Line 2	N/A
Cooperatives	11201-C	Line 1a	Line 2	N/A
Partnerships	1065	Line 1a	Line 2	N/A
Privately owned nonprofit org	990	Line 12	N/A	Line 18
Privately owned nonprofit org	990-EZ	Line 9	N/A	Line 17

Note: LLCs should follow the instructions that apply to their tax filing status in the reference periods.

Tips to Speed Up Processing Time?

Reduce the time it takes for your application to be reviewed by:

- Taking your time and accurately submitting your application
- Keep a copy of your online application
- Monitor the email associated with your application and respond quickly to SBA requests for applicant information, signatures, and approvals
- Be sure to document any inconsistencies
- Submit all back materials as PDF files (jpg, png, doc files will not be accepted)

REQUESTING A LOAN INCREASE

Requesting An Increase To My Loan

You can apply for an increase up to the amount you qualify for or the EIDL program cap (currently \$500k), whichever is lower.

- Sign into the SBA EIDL Portal (<https://covid19relief1.sba.gov/>) and request an increase
 - Your username is the email address used in your application and there is a link to reset your password
 - The amount of loan increase that you are **eligible** for is determined by the loan amount that you would be eligible for if you applied today minus the loan that you have already received. You may apply for an additional increase even if you have already applied for and received a loan increase.

TOP REASONS FOR DECLINES & APPLYING FOR RECONSIDERATION

Most Common Reasons for Decline

Unsatisfactory credit history

- Credit score does not meet minimum 570 credit score requirement.

***Note:** You may request reconsideration to reactivate your application and submit additional financial information to demonstrate repayment ability.*

Most Common Reasons for Decline

Unverifiable information

- One or more items that were reviewed caused the SBA to question the validity of information in the application
- Failed identity verification, International IP address, client device associated with fraud or a high-risk IP address
- Inaccurate 4506-T Form or Tax Identification Number (EIN/SSN)
- If you do not respond within 7 days to a request for additional information from SBA

NOTE: You may request a reconsideration to reactivate your application and submit additional information.

Most Common Reasons for Decline

Economic injury not substantiated

- There are two possible reasons for this decline:
 - The economic injury (gross receipts minus cost of goods sold) is less than the amount received for the EIDL Advance; or
 - The information submitted does not indicate an economic injury.

NOTE: *If you believe this assessment was made in error or that there was a mistake on your application, you may request reconsideration to reactivate your application and submit additional information to substantiate your business' economic injury.*

Most Common Reasons for Decline

Failure to Respond

- In order to complete a review and make a decision on your application, SBA may request additional information such as a photo i.d. or legal documents. If you do not respond to the request for additional information within 7 days, the application will be withdrawn with a status of borrower did not wish to proceed.

NOTE: You may request a reconsideration to reactivate an application within a reasonable period of time pending funds available.

Applying for Reconsideration

- Confirm you meet all program eligibility requirements to see if that was one of the reasons for your decline. This includes having a business of 500 employees or less, a credit score of 570, and having been in operation on or before January 31, 2020.
- Apply for reconsideration via the process outlined in your decline letter.
- After submitting your application for reconsideration, engage with your local field office to obtain the support of an SBA representative to identify whether your application can be improved to overcome the reason for decline.

ECONOMIC INJURY DISASTER LOAN (EIDL) GRANT PROGRAMS

EIDL Advance Programs: “Invitation Only”

Applicants must complete the Economic Injury Disaster Loan (EIDL) application AND if eligible will receive an email invite from the SBA to apply for both the Targeted EIDL Advance and Supplemental Targeted Advance.

Targeted EIDL Advance

- Provides grant funds up to \$10,000 to applicants who:
 - Are in a low-income community based on the SBA EIDL Online Mapping Tool <https://sbaeidl.policymap.com/app>
 - Can demonstrate more than 30% reduction in revenue during an eight-week period beginning on March 2, 2020, or later
 - Have 300 or fewer employees.

Supplemental Targeted Advance

- Provides a supplemental grant of \$5,000 to organizations:
 - In a low-income community based on the SBA EIDL Online Mapping Tool <https://sbaeidl.policymap.com/app>
 - Able to prove more than a 50% economic loss during an eight-week period beginning on March 2, 2020, or later, compared to the same period of the previous year.
 - Have 10 or fewer employees.

NOTE: *The combined amount of the Supplemental Targeted Advance (\$5,000) with any previously received EIDL Advance or Targeted EIDL Advance (\$10,000) should not exceed \$15,000.*

How Will I Receive My Approved Loan Funds?

- When your application is approved, SBA will provide you with loan documents that must be completed and signed.
- Be sure to keep a copy for your records.
- Loan proceeds are electronically deposited to your bank account, using information provided in your application, within 5-10 business days of the time that SBA receives your completed loan documents.

Questions?

Contact the SBA Seattle District Office

Email: infosdo@sba.gov

Ph: (206) 553-7310

Website: <https://sba.gov/wa>

Questions?

SBA Disaster Assistance Customer Service Center

Email: disastercustomerservice@sba.gov

Email: TargetedAdvance@sba.gov

Ph: 1-800-659-2955 | TTY: 1-800-877-8339

Q & A



Janie Sacco

U.S. Small Business Administration (SBA)

janie.sacco@sba.gov

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