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Disaster Loans Could Help Small Businesses Affected by Coronavirus

The U.S. Small Business Administration (SBA) announced that the territories of Guam and the Commonwealth of the Northern Mariana Islands (CNMI) may now apply for disaster assistance loans or **Economic Injury Disaster Loan (EIDL)** to help small businesses affected by the Coronavirus (COVID-19), as directed by President Trump.

How will these loans work?

SBA is offering up to \$2 million in working capital loan assistance for a small business owner that has been affected by the Coronavirus. These are direct loans from the federal government that may be used to pay for fixed debt, payroll, accounts payable, and other bills as a result of the disaster's impact.

For small businesses that are unable to obtain credit from financial institutions, the SBA published interest rate is 3.75%. Loan terms may be up to a maximum of 30 years.

How does a small business apply for Economic Injury Disaster Loan Program?

Small business owners may apply online for financial assistance in the Disaster Portal at <https://disasterloan.sba.gov/ela/>.

The electronic loan application will be screened by SBA Processing Center upon receipt. Expect to see a high volume of applications for assistance under COVID-19, which would cause a delay in services.

For more information on how to get a disaster assistance loan, contact the SBA disaster assistance customer service center at 1-800-659-2955 (TTY: 1-800-877-8339) or email disastercustomerservice@sba.gov.

How can resource partners such as Guam SBDC and CNMI SBDC help?

The Guam SBDC and CNMI SBDC provide *free* one-on-one counseling to small business owners. SBDC Business Advisors will assist small businesses in their application for EIDL and other business advising services.

If you are an existing SBDC client in Guam or CNMI, please contact your current SBDC Business Advisor. If you are a new, prospective client, please contact your local SBDC to request for counseling. Face to face—if safe arrangements can be made—and virtual advising are available.

Find your local SBDC at www.pacificsbdc.com or you may reach:

- Guam SBDC at 671-735-2590 / sbdc@pacificsbdc.com
- CNMI SBDC at 670-664-3018 / cnmisbdc@pacificsbdc.com.

Beware of potential scammers who may offer help for a fee in the application process and other loan transactions.

What about the Federated States of Micronesia, Republic of Palau, or Republic of the Marshall Islands?

Small business owners should contact USAID, their local Economic Authority, Chamber of Commerce, or the nearest SBDC for assistance. You may reach SBDCs in the FSM and Palau by visiting www.pacificsbdc.com or at the following information:

- Yap SBDC at 691-350-4801 / yapsbdc@pacificsbdc.com
- Chuuk SBDC at 691-330-5846 / chuuksbdc@pacificsbdc.com
- Kosrae SBDC at 691-370-2751 / kosraesbdc@pacificsbdc.com
- Pohnpei SBDC at 691-320-2480 (ext. 149 or 150) / pohnpeisbdc@pacificsbdc.com
- Palau SBDC at 680-587-6004 / palausbdc@pacificsbdc.com

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Requests for reasonable accommodations for persons with disabilities will be made if requested at least two weeks in advance. Language assistance services are available for limited English proficient individuals with at least two weeks advance notice. For arrangements, please contact SBDC, P.O. Box 5014 Mangilao, Guam 96923, telephone: (671) 735-2590, or email sbdc@pacificsbdc.com. Services are extended to the public on a non-discriminatory basis.



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