
CONGRESSMAN

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PROUDLY SERVING



SOUTH CAROLINA'S LOWCOUNTRY

RESOURCE GUIDE FOR LOWCOUNTRY BUSINESSES MANAGING THE IMPACTS OF COVID-19

The enclosed guide includes a comprehensive list of resources for businesses to consider accessing or applying to during this time. COVID-19 is a rapidly changing public health emergency, so please consult the latest available information at [CDC.gov/coronavirus](https://www.cdc.gov/coronavirus).

U.S. SMALL BUSINESS ADMINISTRATION ECONOMIC INJURY DISASTER LOANS

Governor Henry McMaster formally requested the U.S. Small Business Administration (SBA) issue an Economic Injury Disaster declaration for the state of South Carolina. As of March 19, 2020, the SBA has declared South Carolina an eligible disaster area and Economic Injury Disaster Loans are available for small businesses in every county.

Now that the SBA has approved South Carolina's request for disaster assistance, Lowcountry businesses and private, non-profit organizations can apply for low-interest loans directly through the SBA. Visit <https://disasterloan.sba.gov/ela/> to apply.

Applicants may also call SBA's Customer Service Center at (800)659-2955 or email disastercustomerservice@sba.gov for more information on SBA disaster assistance.

For additional information or to obtain help preparing the loan application please contact the South Carolina SBA Offices in North Charleston at 843-225-7430 or by visiting their website: <https://www.sba.gov/offices/district/sc/columbia>

More information regarding the Economic Injury Disaster Loan program can be found here: <https://www.sba.gov/page/coronavirus-covid-19-small-business-guidance-loan-resources>

NATIONAL RESOURCES

The U.S. Chamber of Commerce has information on resources and ways individuals, or businesses, can seek assistance. For more information, please visit: <https://www.uschamber.com/coronavirus> or contact: 1-800-638-6582.

The U.S. Chamber of Commerce has a small business resource guide that features technology tools, employer guidance, business strategies and more as you navigate through this challenging time. For more information, please visit: <https://www.uschamber.com/co/small-business-coronavirus>.

The National Main Street program has resources for small business and offers community support for those impacted by COVID-19. For more information, please visit: <https://www.mainstreet.org/howwecanhelp/resourcecenter/covid19resources> or contact 312-610-5613.

STATE AND LOCAL RESOURCES

The South Carolina Small Business Development Center (SC SBDC) is open and available to provide businesses with consulting via phone, email and online systems. This includes preparation, response and recovery on financial and other business issues related to COVID-19. For more information, please visit <https://www.scsbdc.com/covid-19>.

South Carolina Department of Commerce is actively engaged in supporting the business community managing the impacts of COVID-19. You can find pertinent resources, business assistance and timely information for your company here: <https://www.sccommerce.com/doing-business-here/join-community/emergency-preparedness>.

South Carolina Manufacturers Alliance (SCMA) offers COVID-19 resources, support, and other pertinent information for companies and employees. For more information, please visit <https://myscma.com/covid-19-resources/>.

Charleston Metro Chamber of Commerce has useful resources to help your organizations and teams deal with COVID-19. They've also partnered with the College of Charleston School of Business to provide guidance and insight to those businesses who are seeking it. For more information, please visit, <https://www.charlestonchamber.org/coronavirus-resources/>.

Beaufort Regional Chamber of Commerce has assembled a list of resources to help small businesses, as well as links to important community health information. For more information, please visit <https://beaufortchamber.org/togetherbft/>.

Hilton Head Island-Bluffton Chamber of Commerce has a list of official resources for residents and businessowners to help navigate the disruptions caused by COVID-19. For more information, please visit <https://www.hiltonheadchamber.org/covid-19/>.

BANK ASSISTANCE INFORMATION

Several banks have set-up contact lines to work with individuals impacted by COVID-19. If a bank is not listed below, reach-out to them to find out what they are doing to assist those affected by COVID-19. The Federal Deposit Insurance Corporation (FDIC) and the National Credit Union Administration (NCUA) have also put out information for bankers and consumers.

FDIC: <https://www.fdic.gov/coronavirus/index.html>

NCUA: <https://www.ncua.gov/>

Other banks assisting during COVID-19:

- Bank of America: <https://about.bankofamerica.com/promo/assistance/latestupdates-from-bank-of-america-coronavirus>
- Capitol One: <https://www.capitalone.com/coronavirus/>
- Chase: <https://www.chase.com/digital/resources/coronavirus>
- CitiBank: <https://online.citi.com/US/JRS/pands/detail.do?ID=covid19>
- Discover: <https://www.discover.com/coronavirus/>
- Fifth Third Bank: <https://www.53.com/content/fifth-third/en/alerts/covid-support.html>
- Marcus by Goldman Sachs: 844-627-2876
- PNC: <https://www.pnc.com/en/customer-service/coronavirus-update.html>
- TCF Bank: <https://www.tcfbank.com/about-tcf/covid19>
- Truist: <https://www.truist.com/coronavirus-information>
- US Bank: <https://www.usbank.com/splash/covid-19.html>
- WellIs Fargo: <https://newsroom.wf.com/press-release/corporate-socialresponsibility/wells-fargo-donates-625-million-aid-coronavirus>

FAQ: SMALL BUSINESS ADMINISTRATION (SBA) ECONOMIC INJURY DISASTER LOANS (EIDL)

If small businesses need help with their applications, are there any other resources available to help them fill out the applications?

- SBA has also coordinated with the Resource Partners, including Small Business Development Centers, (SBDCs) who can assist with the application process. The list of SBDCs is available online at: <https://www.sba.gov/local-assistance/find/>.

What is an Economic Injury Disaster Loan?

- The SBA's Economic Injury Disaster Loan (EIDL) program provides small businesses with working capital loans of up to \$2 million to help overcome the temporary loss of revenue.
- The loans may be used to pay fixed debts, payroll, accounts payable, or other bills that can't be paid because of the COVID-19 outbreak.
- The interest rate is 3.75 percent for small businesses without credit available elsewhere, and businesses with credit available elsewhere are not eligible to apply for assistance.
- The maximum term is 30 years.
- A small business is defined by the SBA's Size Standards in accordance with the Native American Industry Classification System (NAICS) codes and SBA's Size Standards Tool can be utilized.

What are the criteria for a loan approval?

- Credit History: Applicants must have a credit history acceptable to SBA.
- Repayment: SBA must determine that the applicant business has the ability to repay the SBA loan.
- Eligibility: The applicant business must be physically located in a declared county and suffered working capital losses due to the declared disaster, not due to a downturn in the economy or other reasons.

What forms and documentation will I need to apply?

- 3 years of past tax returns – personal and business.
- Identification – license, passport, social security card.
- Make sure financial statements are current or readily available
 - if you need to pay for these, wait for confirmation from your loan officer.
- Make sure other business documents are in order – e.g. corporate paperwork.
- Most recent bank statements – last 3 months.
- A business loan declination letter from your bank.

Does the SBA require collateral?

- Economic Injury Disaster Loans over \$25,000 require collateral.
- SBA takes real estate as collateral when it is available.
- SBA will not decline a loan for lack of collateral but requires borrowers to pledge what is available.

What do I do before and while the loan application is being processed?

- Contact your bank for a business loan. If you are approved for a loan at 3.75% or comparable rate, the SBA will not offer you something better.
- Contact your vendors. Work with them to get better payment terms than you currently have.
- Prioritize your vendor payments according to your most crucial services and the vendor's ability to work on better terms of payment.

- Make good faith payments to vendors and employees to stay as current as possible.
- If you haven't already, work with your accountant to file your 2019 tax returns as quickly as possible.
- Prepare income statements complete with monthly sales reports from 2019 and 2020 to date

What's the timeline like?

- Once a borrower submits an application, approval timelines depend on volume.
- Typical timeline for approval is 2-3 weeks and disbursement can take up to 5 days. Borrowers are assigned individual loan officers for servicing of the loan.

Where can I find more information?

- For additional information, borrowers should contact the SBA Disaster Assistance customer service center by calling 1-800-659-2955 or emailing disastercustomerservice@sba.gov.
- They can also visit <https://www.sba.gov/funding-programs/disaster-assistance> for more information.

Payment Protection Program (PPP) Loans

The Coronavirus Aid, Relief, and Economic Security (CARES) Act provided \$349 billion for SBA to administer the Paycheck Protection Program (PPP). The PPP will provide loans of up to \$10 million to small businesses that have been harmed by the coronavirus pandemic. PPP loans may be used to cover payroll costs, healthcare benefits, mortgage interest payments, rent, utilities, and other interest payments.

Congress passed an interim funding bill on April 23, 2020 to provide additional funding for the Paycheck Protection Program. The bill strengthens the PPP with \$310 billion in additional funding and sets aside \$60 billion for community lenders to expand access to the smallest and most vulnerable businesses, including in communities of color. It also provides \$50 billion in additional funding to the SBA's [Economic Injury Disaster Loan](#) program.

The program provides cash-flow assistance for businesses under 500 employees through 100 percent federally guaranteed loans to small businesses to maintain their payroll and pay their bills during this emergency. If employers maintain their payroll, the loans will be forgiven, which would help workers remain employed, as well as help affected small businesses and our economy to snap back quicker after the crisis.

PPP has a host of attractive features, such as forgiveness of up to 8 weeks of payroll based on employee retention and salary levels, no SBA fees and no payments for at least six months. The cost of eight weeks of payroll and operating expenses will be forgiven from the loan. For example, if your business takes out a \$5 million loan and the cost of payroll and operating expenses for eight weeks is \$4 million, you would only have to repay the remaining \$1 million.

The interest rate on PPP loans is 1% and the loan will mature after 2 years.

Small businesses and other eligible entities will be able to apply if they were harmed by COVID-19 between February 15, 2020 and June 30, 2020. This program is retroactive to February 15, 2020, in order to help bring workers who may have already been laid off back onto payrolls. Loans are available through June 30, 2020.

You can apply [here](#).

Small Business Debt Relief Program

This program will provide immediate relief to small businesses with non-disaster SBA loans, in particular 7(a), 504, and microloans. Under it, SBA will cover all loan payments on these SBA loans, including principal, interest, and fees, for six months. This relief will also be available to new borrowers who take out loans within six months of the President signing the bill into law.

For more information, visit: <https://www.sba.gov/funding-programs/loans/coronavirus-reliefoptions/sba-debt-relief>.