



## COVID-19 Update from ASRS

### Expansion of Permissible SBA Loans Under the Cares Act

#### **Economic Injury Disaster Loan (EIDL)**

Retina specialists may seek emergency financial relief under SBA's existing Economic Injury Disaster Loan (EIDL) grants program. For profit businesses and 501(c)(3) or 501(c)(19) nonprofits may apply for an EIDL grant in addition to a loan under the Paycheck Protection Program, provided the loans are not used for the same purpose and businesses have 500 or fewer employees.

The covered period is January 31, 2020 through December 31, 2020. Standard EIDL program requirements are waived: (1) no personal guarantee is required for loans up to \$200,000; (2) the entity does not need to have been in operation for one year prior to the disaster, but in operation on January 31, 2020; and (3) there is no need to show the business is unable to obtain credit elsewhere.

Further, an *emergency grant of up to \$10,000 may be requested* by a business seeking immediate funds, and receive the emergency advance within three days after applying for an EIDL grant. If the EIDL grant application is ultimately denied, the applicant is not required to repay the advance. Emergency advance funds can be used for payroll costs, increased material costs, rent or mortgage payments, or repaying obligations that cannot be met because of revenue losses.

Access application form here: <https://www.sba.gov/disaster/apply-for-disaster-loan/index.html>

**Guidance is expected from the Small Business Administration (SBA) on these emergency loans within the coming weeks. Practices should consult their accountants and attorneys for details.**

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