



U.S. Small Business  
Administration

## U.S. SMALL BUSINESS ADMINISTRATION FACT SHEET – ECONOMIC INJURY DISASTER LOANS

### MONTANA Declaration # 16340

(Disaster: MT-00129)

Incident: CORONAVIRUS (COVID-19)

occurring: January 31, 2020 & continuing

**All counties within the State of Montana:**

the contiguous Idaho counties of: **Bonner, Boundary, Clark, Clearwater, Fremont, Idaho, Lemhi & Shoshone;**

the contiguous North Dakota counties of: **Bowman, Divide, Golden Valley, McKenzie, Slope & Williams;**

the contiguous South Dakota counties of: **Butte & Harding;**

and the contiguous Wyoming counties of: **Big Horn, Campbell, Crook, Park, Sheridan & Teton**

**Application Filing Deadline: December 17, 2020**

#### **Disaster Loan Assistance Available:**

Economic Injury Disaster Loans (EIDLs) – Working capital loans to help small businesses, small agricultural cooperatives, small businesses engaged in aquaculture, and most private, non-profit organizations of all sizes meet their ordinary and necessary financial obligations that cannot be met as a direct result of the disaster. These loans are intended to assist through the disaster recovery period.

#### **Credit Requirements:**

- Credit History – Applicants must have a credit history acceptable to SBA.
- Repayment – Applicants must show the ability to repay the loan.
- Collateral – Collateral is required for all EIDL loans over \$25,000. SBA takes real estate as collateral when it is available. SBA will not decline a loan for lack of collateral, but SBA will require the borrower to pledge collateral that is available.

#### **Interest Rates:**

The interest rate is determined by formulas set by law and is fixed for the life of the loan. The maximum interest rate for this program is 3.75 percent.

#### **Loan Terms:**

The law authorizes loan terms up to a maximum of 30 years. SBA will determine an appropriate installment payment based on the financial condition of each borrower, which in turn will determine the loan term.

#### **Loan Amount Limit:**

The law limits EIDLs to \$2,000,000 for alleviating economic injury caused by the disaster. The actual amount of each loan is limited to the economic injury determined by SBA, less business interruption insurance and other recoveries up to the administrative lending limit. SBA also considers potential contributions that are available from the business and/or its owner(s) or affiliates. If a business is a major source of employment, SBA has the authority to waive the \$2,000,000 statutory limit.

#### **Loan Eligibility Restrictions:**

Noncompliance – Applicants who have not complied with the terms of previous SBA loans may not be eligible. This includes borrowers who did not maintain required flood insurance and/or hazard insurance on previous SBA loans.

**Note:** Loan applicants should check with agencies / organizations administering any grant or other assistance program under this declaration to determine how an approval of SBA disaster loan might affect their eligibility.

#### **Refinancing:**

Economic injury disaster loans cannot be used to refinance long term debts.

#### **Insurance Requirements:**

To protect each borrower and the Agency, SBA may require you to obtain and maintain appropriate insurance. By law, borrowers whose damaged or collateral property is located in a special flood hazard area must purchase and maintain flood insurance. SBA requires that flood insurance coverage be the lesser of 1) the total of the disaster loan, 2) the insurable value of the property, or 3) the maximum insurance available.

Applicants may apply online, receive additional disaster assistance information and download applications at <https://disasterloan.sba.gov/ela>. Applicants may also call SBA's Customer Service Center at (800) 659-2955 or email [disastercustomerservice@sba.gov](mailto:disastercustomerservice@sba.gov) for more information on SBA disaster assistance. Individuals who are deaf or hard-of-hearing may call (800) 877-8339. Completed applications should be mailed to U.S. Small Business Administration, Processing and Disbursement Center, 14925 Kingsport Road, Fort Worth, TX 76155.



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# NEWS RELEASE

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## Disaster Field Operations Center West

**Release Date:** March 21, 2020

**Contact:** Richard A. Jenkins, (916) 735-1500,  
[Richard.Jenkins@sba.gov](mailto:Richard.Jenkins@sba.gov)

**Release Number:** MT 16340-02

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### **SBA Amends Disaster Declaration Disaster Assistance Now Available to all Montana Small Businesses Economically Impacted by the Coronavirus (COVID-19)**

**SACRAMENTO, Calif.** – The U.S. Small Business Administration is offering low-interest federal disaster loans for working capital to all Montana small businesses suffering substantial economic injury as a result of the Coronavirus (COVID-19), SBA Administrator Jovita Carranza announced today.

SBA disaster assistance is now available in all counties within the state of Montana and the neighboring counties below.

Neighboring Idaho counties: Bonner, Boundary, Clark, Clearwater, Fremont, Idaho, Lemhi and Shoshone;

Neighboring North Dakota counties: Bowman, Divide, Golden Valley, McKenzie, Slope and Williams;

Neighboring South Dakota counties: Butte and Harding;

Neighboring Wyoming counties: Big Horn, Campbell, Crook, Park, Sheridan and Teton.

“SBA is strongly committed to providing the most effective and customer-focused response possible to assist Montana small businesses with federal disaster loans. We will be swift in our efforts to help these small businesses recover from the financial impacts of the Coronavirus (COVID-19),” said Administrator Carranza.

SBA Customer Service Representatives will be available to answer questions about SBA’s Economic Injury Disaster Loan program and explain the application process.

“Small businesses, private non-profit organizations of any size, small agricultural cooperatives and small aquaculture enterprises that have been financially impacted as a direct result of the Coronavirus (COVID-19) since Jan. 31, 2020, may qualify for Economic Injury Disaster Loans of up to \$2 million to help meet financial obligations and operating expenses which could have been met had the disaster not occurred,” said Carranza.

“These loans may be used to pay fixed debts, payroll, accounts payable and other bills that can’t be paid because of the disaster’s impact. Disaster loans can provide vital economic assistance to small businesses to help overcome the temporary loss of revenue they are experiencing,” Carranza added.

Eligibility for Economic Injury Disaster Loans is based on the financial impact of the Coronavirus (COVID-19). The interest rate is 3.75 percent for small businesses. The interest rate for private non-

profit organizations is 2.75 percent. SBA offers loans with long-term repayments in order to keep payments affordable, up to a maximum of 30 years and are available to entities without the financial ability to offset the adverse impact without hardship.

**Applicants may apply online, receive additional disaster assistance information and download applications at <https://disasterloan.sba.gov/ela>. Applicants may also call SBA's Customer Service Center at (800) 659-2955 or email [disastercustomerservice@sba.gov](mailto:disastercustomerservice@sba.gov) for more information on SBA disaster assistance. Individuals who are deaf or hard-of-hearing may call (800) 877-8339. Completed applications should be mailed to U.S. Small Business Administration, Processing and Disbursement Center, 14925 Kingsport Road, Fort Worth, TX 76155.**

The deadline to apply for an Economic Injury Disaster Loan is Dec. 17, 2020.

For more information about Coronavirus, please visit: [Coronavirus.gov](https://www.coronavirus.gov).

For more information about available SBA resources and services, please visit: [SBA.gov/coronavirus](https://www.sba.gov/coronavirus).

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#### **About the U.S. Small Business Administration**

The U.S. Small Business Administration makes the American dream of business ownership a reality. As the only go-to resource and voice for small businesses backed by the strength of the federal government, the SBA empowers entrepreneurs and small business owners with the resources and support they need to start, grow or expand their businesses, or recover from a declared disaster. It delivers services through an extensive network of SBA field offices and partnerships with public and private organizations. To learn more, visit [www.sba.gov](https://www.sba.gov).