



News Release

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CARES Act Provides Additional Assistance To Small Businesses With \$10,000 Advance Grants

Orange County, Texas (March 30, 2020) - Small Business Owners are eligible to apply for Economic Injury Disaster Loans (EIDL) due to COVID-19 through the U.S. Small Business Administration. Business owners should make every attempt to apply online at <https://covid19relief.sba.gov/#/>. Businesses may be eligible to receive up to \$2 million with no payments for 12 months at 3.75% interest rate for small businesses and 2.75% for private non-profits. Terms may be extended for up to 30 years. Small businesses, small ag cooperatives, and private non-profits are eligible. Funds may be used for fixed debts, payroll, accounts payable and other bills affected by the disaster.

The CARES Act provides additional assistance for small business owners, including the opportunity to receive up to a \$10,000 grant advance on an EIDL. The SBA is updating its system to implement this provision so small businesses can request an EIDL Advance when they apply for the loan. This update will be available in the coming days. In the interim applicants can still apply for a full EIDL but will need to reapply for the Advance when the system is updated with a streamlined application. Once the EIDL Advance is active, funds will be direct deposited into the applicant's business account.

To find out more about the EIDL program, businesses are encouraged to join one of the four daily calls with the U.S. Small Business Administration's Houston District Office or contact the Orange County Economic Development Corporation. A webinar schedule is available on the OCEDC webpage under the Business Resources tab as well as [HERE](#).

In addition to the EIDL, the CARES Act allocated \$350 billion to help small businesses keep workers employed amid the pandemic and economic downturn. Known as the Paycheck Protection Program (PPP), the initiative provides 100% federally guaranteed loans to small businesses. Importantly, these loans may be forgiven if borrowers maintain their payrolls during the crisis or restore their payrolls afterward. The PPP funds are administered through third party lenders. For more information on the Paycheck Protection Program, contact your local lending institution or the Orange County Economic Development Corporation.

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