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15 U.S.C. Section 9009

Emergency EIDL grants

(a) Definitions

In this section—

- (1) the term “covered period” means the period beginning on January 31, 2020 and ending on December 31, 2020; and
- (2) the term “eligible entity” means—
 - (A) a business with not more than 500 employees;
 - (B) any individual who operates under a sole proprietorship, with or without employees, or as an independent contractor;
 - (C) a cooperative with not more than 500 employees;
 - (D) an ESOP (as defined in section 632 of this title) with not more than 500 employees;
 - (E) a tribal small business concern, as described in section 657a(b)(2)(C) of this title, with not more than 500 employees; or
 - (F) an agricultural enterprise (as defined in section 647(b) of this title) with not more than 500 employees.

(b) Eligible entities

During the covered period, in addition to small business concerns, private nonprofit organizations, and small agricultural cooperatives, an eligible entity shall be eligible for a loan made under section 636(b)(2) of this title.

(c) Terms; credit elsewhere With respect to a loan made under section 636(b)(2) of this title in response to COVID–19 during the covered period, the Administrator shall waive—

- (1) any rules related [1] the personal guarantee on advances and loans of not more than \$200,000 during the covered period for all applicants;
- (2) the requirement that an applicant needs to be in business for the 1-year period before the disaster, except that no waiver may be made for a business that was not in operation on January 31, 2020; and
- (3) the requirement in the flush matter following subparagraph (E) of section 636(b)(2) of this title, as so redesignated by subsection (f) of this section,[2] that an applicant be unable to obtain credit elsewhere.

(d) Approval and ability to repay for small dollar loans With respect to a loan made under section 636(b)(2) of this title in response to COVID–19 during the covered period, the Administrator may—

(1)approve an applicant based solely on the credit score of the applicant and shall not require an applicant to submit a tax return or a tax return transcript for such approval; or

(2)use alternative appropriate methods to determine an applicant's ability to repay.

(e)Emergency grant

(1)In general

During the covered period, an entity included for eligibility in subsection (b), including small business concerns, private nonprofit organizations, and small agricultural cooperatives, that applies for a loan under section 636(b)(2) of this title in response to COVID-19 may request that the Administrator provide an advance that is, subject to paragraph (3), in the amount requested by such applicant to such applicant within 3 days after the Administrator receives an application from such applicant.

(2)Verification

Before disbursing amounts under this subsection, the Administrator shall verify that the applicant is an eligible entity by accepting a self-certification from the applicant under penalty of perjury pursuant to section 1746 of title 28.

(3)Amount

The amount of an advance provided under this subsection shall be not more than \$10,000.

(4)Use of fundsAn advance provided under this subsection may be used to address any allowable purpose for a loan made under section 636(b)(2) of this title, including—

(A)providing paid sick leave to employees unable to work due to the direct effect of the COVID-19;

(B)maintaining payroll to retain employees during business disruptions or substantial slowdowns;

(C)meeting increased costs to obtain materials unavailable from the applicant's original source due to interrupted supply chains;

(D)making rent or mortgage payments; and

(E)repaying obligations that cannot be met due to revenue losses.

(5)Repayment

An applicant shall not be required to repay any amounts of an advance provided under this subsection, even if subsequently denied a loan under section 636(b)(2) of this title.

(6)Unemployment grant

If an applicant that receives an advance under this subsection transfers into, or is approved for, the loan program under section 636(a) of this title, the advance amount shall be reduced from the loan forgiveness amount for a loan for payroll costs made under such section 636(a) of this title.

(7)Authorization of appropriations

There is authorized to be appropriated to the Administration \$20,000,000,000 to carry out this subsection.

(8)Termination

The authority to carry out grants under this subsection shall terminate on December 31, 2020.