



**How Do SBA Loans Work:** Gov. Reynolds issued a State of Public Health Disaster Emergency activating the public health response and recovery aspects of the State Disaster Emergency Plan effective at March 16, 2020 through April 16, 2020. With the Governors declaration all Iowa counties meet the economic impact threshold in order to become eligible for federal SBA loans.

**Learn More:** The Iowa City Area Business Partnership will be hosting Jayne Armstrong, Iowa District Director of the SBA to discuss the Economic Injury Disaster Loans and how your business can access them. **Join us on March 25th at 3:30 pm.** [Click here to Register.](#)

**Eligibility:** The SBA is the primary site for Federal Disaster Loans for [Businesses, Private Nonprofits](#). SBA's Economic Injury Disaster Loans (or working capital loans) are available to small businesses, small agricultural cooperatives, small aquaculture businesses and most private non-profit organizations.

**What can I use SBA Loans For:** 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. The interest rate as of now is 3.75% for small businesses without credit available elsewhere; businesses with credit available elsewhere are not eligible. The interest rate for non-profits is 2.75%. SBA offers loans with long-term repayments in order to keep payments affordable, up to a maximum of 30 years. Terms are determined on a case-by-case basis, based upon each borrower's ability to repay.

**File for SBA Assistance:** Business owners should contact their banker and begin gathering pertinent financial and business information. There is a [three step process](#) for applying for disaster loan and it may take some additional time due to volume of application. Begin the [SBA loan process](#) online as soon as possible.