

Insights

Governor DeSantis Activates the Florida Small Business Emergency Bridge Loan Program

Article

Lowndes

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In the wake of the economic impact of the Coronavirus (COVID-19), Governor DeSantis has activated the Florida Small Business Emergency Bridge Loan Program. The short-term, interest-free loans are intended to help bridge the gap between the time the economic impact occurred and when a business secures other financial resources, including payment of insurance claims or longer-term SBA loans. Up to \$50 million has been allocated for the program.

The Florida Small Business Emergency Bridge Loan Program offers loans of up to \$50k per small business, and loans of up to \$100k may be made in some special cases. The loans will be interest free for a term of one year and thereafter there will be a rate of 12% per annum on the unpaid balance.

Applications will be accepted under the program through May 8, 2020 (contingent on available funds). Applications will be accepted by qualified for-profit, privately held small businesses that maintain a place of business in the state of Florida. All qualified applicants must have been established prior to March 9, 2020, and suffered economic injury as a result of the designated disaster.

The program will be managed by the Florida Department of Economic Opportunity. The information required to apply for an Emergency Bridge Loan can be found here: <https://floridadisasterloan.org/>. All counties in Florida have been designated as disaster areas for purposes of this program.

Additional disaster assistance loans may become available to Florida Small Businesses soon. The United States Small Business Administration (the "SBA") has announced that it will be providing small businesses impacted by the Coronavirus (COVID-19) up to \$2 Million in Disaster Assistance Loans. The disaster assistance loans will become available to Florida Small Business following a request from Governor DeSantis.

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The SBA is coordinating directly with state governors to submit requests for Economic Injury Disaster Loan assistance. Any such Economic Injury Disaster Loan assistance declaration issued by the SBA makes loans available to small businesses and private, non-profit organizations in designated areas of a state or territory to help alleviate economic injury caused by the Coronavirus (COVID-19).