Revisions to COVID-19 Targeted EIDL Advance Application Information Collection

OMB Control Number 3245-0419

Expiration: 07/31/2021

Justification for Non-Substantive Change

Section 5002 of the American Rescue Plan Act of 202, Pub. L. 117-21 (3/11/2021) provided SBA new authority to make supplemental Targeted EIDL Advances to certain small businesses and nonprofit organizations (Supplemental Targeted Advances). Entities eligible to apply for a Supplemental Targeted Advance will also use SBA Form 3514, COVID-19 Targeted EIDL Advance Application. These entities must meet the same eligibility requirements as entities eligible to receive a Targeted EIDL Advance, which was authorized by the Economic Aid to Hard-Hit Small Businesses, Nonprofits, and Venues Act, Pub. L. 116-260, Div. N, Title III, Sec. 323, except that the applicants for a supplemental advance must have ten or fewer employees and must have suffered greater than 50 percent economic loss. In order to implement this new authority and enable eligible applicants to request the supplemental funding, SBA is revising SBA Form 3514 to add a question at the end of Section C, New Information, and revising the instructions at the top of the form to account for the Supplemental Targeted Advance. SBA is also making two additional revisions as described below. These changes are not directly tied to the statutory amendment but clarify current instructions regarding submission of bank account information and update the eligibility section of the form to ensure it is consistent with current COVID-relief policy. Finally, SBA is revising the burden for the information collection to report the estimated increase in the number of respondents applying for the supplemental funds.

*New Question*

*3.* *I would like to be considered for a Supplemental Targeted Advance of $5,000.*

* *Yes*
* *No*

New applicants for a Targeted EIDL Advance will see this new question on the intake application that they complete in the application portal. For those entities that have already applied for a Targeted EIDL Advance, SBA will invite them to re-enter the application portal to confirm that they are requesting a Supplemental Targeted Advance.

**Revision to Hour/Cost Burdens**

The Targeted EIDL Advance is limited to those entities that received less than a full $10,000 EIDL Advance or that did not receive any EIDL Advance funding. The Supplemental Targeted Advance, however, is available to entities that received a full $10,000 EIDL Advance and meet all other eligibility requirements described above. SBA estimates this population to be 233,750. SBA is revising the burden estimates to account for these additional potential applicants as follows:

**Public Burden Calculation**:

Hours: The COVID-19 Targeted EIDL Advance Application, SBA Form 3514 takes an estimated 30 minutes to complete. 8,859,000 respondents x 30 minutes = 4,429,500 public burden hours (an increase of 116,875 hours).

Cost: The cost estimate for a respondent is based on GS 9, step 1 ($25.60 per hour-RUS), which is the minimal level of expertise that is required to respond. The revised annual hourly cost estimate is 4,429,500 x $25.60 = $113,395,200 (an increase of ($2,992,000).

Additional Changes

SBA is revising the last sentence of the instructional language in Section B to alleviate confusion regarding the required bank information required from sole proprietors. The new language is denoted in bold type:

*The bank account you provide must satisfy the following: (1) Account opened using your business legal name* ***matching the values entered in the business information section on your application. If you do not have a business legal name, the name on the account must match the business owner’s name****; 2) Account has your business address and phone number; (3) Account opened using your business tax identification number (EIN, or SSN if no EIN registered).*

SBA is also revising Section A, Question 8 to remove “or within the last year, for any other felony” to align this question with current SBA criminal history policy for COVID relief programs.