



Small Businesses Steps to take during COVID-19:

What do I do if my business is experiencing immediate financial distress?

1. Contact your financial institution: Your own financial institution may be your best resource and wants to hear from you. Banks and credit unions are given authority to defer required payments, waive fees and make accommodations. Your financial institution may also be able to quickly provide a line of credit or short-term loan based on your existing relationship. Finally, letting the institution know of financial distress early is the best course of action.

2. Check into US SBA Economic Injury Disaster Loans: Because Governor Mills acted quickly, Maine is now declared eligible for assistance. Businesses and individuals seeking assistance may apply on the SBA website: <https://www.sba.gov/funding-programs/disasterassistance>.

Eligibility: 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 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%. These loans will have 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.

3. Check the Governor's website often: The State is marshalling resources and options and the situation is very fluid. This website will be the place to look for updates. These options include flexibility through Unemployment system and financial assistance through FAME loan guarantees for companies of all sizes.

4. Explore locally available and private-sector resources: Keep an eye out for funds being raised at the local level and by private-sector resources. These are in the works – your neighbors want to help.

5. Reach out to Business Service Providers for assistance thinking creatively: Free business technical assistance is available for thinking through how to shift your business model to online, take-out, or delivery focused. These service providers have shifted to offering assistance via phone or video call. There is no wrong option and you can try out any and all of them at no cost to you.

Maine SBDC – Counselors are available statewide and you can request advising on the SBDC website. The website also has a wealth of information on starting a business.

SCORE – SCORE has chapters around the State, with the nation's best chapter for two years running located in Portland - <https://portlandme.score.org/>. SCORE is a free, volunteer-led service and has both general business mentors and subject area experts.

Maine Women's Business Center – WBC is also statewide and both WBC and SBDC are hosted by CEI - <https://www.ceimaine.org/advising/> - you can request a business advisor from CEI through their website and also access events and programs specific to women business owners.

Other options:

The Maine Center for Entrepreneurs maintains the Maine Mentor Network and entrepreneurs can schedule a one-hour meeting through the network. For additional information on the Mentor Network, contact: Terry Johnson, Maine Mentor Network Manager, terry@practicaldecisions.com or 207-653-5150.

ACE (Association for Consulting Expertise) - <https://www.consultexpertise.com/> - ACE maintains an online directory of member who provide services but there is no vetting of these consultants, so any potential client needs to do their own due diligence.

Maine has a variety of local options as well that can be accessed through the Guide for Resources for Maine Entrepreneurs and through the US SBA Small Business Resource Guide.

Still have questions? We are happy to field questions through Business Answers at 1-800-872-3838 or via email at business.answers@maine.gov.