



## **SMALL BUSINESS ADMINISTRATION**

### **13 CFR Part 120**

#### **Express Bridge Loan Pilot Program; Modification of Eligibility and Loan Approval Deadline and Extension of Pilot Program**

**AGENCY:** U.S. Small Business Administration.

**ACTION:** Notification of change to Express Bridge Loan Pilot Program and extension of Pilot Program.

**SUMMARY:** On October 16, 2017, the U.S. Small Business Administration (SBA) published a document announcing the Express Bridge Loan Pilot Program (Express Bridge Pilot). In that document, SBA provided an overview of the Express Bridge Pilot and modified an Agency regulation relating to loan underwriting for loans made under the Express Bridge Pilot. On May 7, 2018, SBA published a document to revise certain program requirements. SBA continues to refine and improve the design of the Express Bridge Pilot and is issuing this document to expand program eligibility to include small businesses nationwide adversely impacted under the Coronavirus Disease (COVID-19) Emergency Declaration (COVID-19 Emergency Declaration) issued by President Trump on March 13, 2020. Further, SBA is revising program requirements to allow Express Bridge Pilot loans made under the COVID-19 Emergency Declaration to be approved through March 13, 2021. The modification of eligibility criteria and program requirements will allow small businesses adversely impacted by the COVID-19 emergency to qualify for loans through the Express Bridge Pilot. Finally, SBA is extending the term of the Express Bridge Pilot from September 30, 2020 to March 13, 2021, to assist small businesses that may experience delayed effects resulting from the

COVID-19 emergency to benefit from the Express Bridge Pilot and to allow SBA to continue its evaluation of the program.

**DATES:** The revised program requirements described in this document apply to all Express Bridge Pilot loans approved on or after [INSERT DATE OF PUBLICATION IN THE FEDERAL REGISTER], and the Express Bridge Pilot will remain available through March 13, 2021.

**FOR FURTHER INFORMATION CONTACT:** Dianna Seaborn, Director, Office of Financial Assistance, U.S. Small Business Administration, 409 Third Street SW, Washington, D.C. 20416; Telephone (202) 205-3645; email address: dianna.seaborn@sba.gov.

**SUPPLEMENTARY INFORMATION:** On October 16, 2017, SBA published a document announcing the Express Bridge Pilot. (82 FR 47958) The Express Bridge Pilot is designed to supplement the Agency's disaster response capabilities and authorizes the Agency's 7(a) Lenders with SBA Express lending authority to deliver expedited SBA-guaranteed financing on an emergency basis for disaster-related purposes to small businesses located in communities impacted by a Presidentially-declared disaster, while the businesses apply for and await long-term financing (including through SBA's direct disaster loan program, if eligible). On May 7, 2018, SBA published a document to revise certain Express Bridge Pilot requirements. (83 FR 19921) The Express Bridge Pilot applies the policies and procedures in place for the Agency's SBA Express program, except as outlined in the Federal Register documents published on October 16, 2017, and May 7, 2018.

SBA continues to refine and improve the design of the Express Bridge Pilot and, therefore, is issuing this document to expand program eligibility to include small businesses nationwide adversely impacted under the Coronavirus Disease (COVID-19) Emergency Declaration issued by President Trump on March 13, 2020. Because the COVID-19 Emergency Declaration covers all states, territories, and the District of Columbia, eligible small businesses under the Express Bridge Pilot will now include small businesses located in any state, territory and the District of Columbia that have been adversely impacted by the COVID-19 emergency. (Previously, those small businesses would not be eligible for Express Bridge Pilot loans because the program has been limited to eligible small businesses located in Primary Counties that have been Presidentially-declared as major disaster areas, plus any Contiguous Counties.)

Further, SBA is revising program requirements to allow Express Bridge Pilot loans made under the COVID-19 Emergency Declaration to be approved through March 13, 2021. This is a revision to the current policy that states Express Bridge Pilot loans can only be made up to six months after the date of the applicable Presidential disaster declaration. This revision will allow small businesses that experience delayed impacts resulting from the COVID-19 emergency to benefit from the pilot program.

Finally, SBA is extending the term of the Express Bridge Pilot. The Express Bridge Pilot is set to expire September 30, 2020. With this Notice, SBA is extending the pilot program through March 13, 2021. This extension will provide time for small businesses that may experience delayed effects resulting from the COVID-19 emergency to benefit from the Express Bridge Pilot and to allow SBA to continue its evaluation of

the program in accordance with the criteria set forth in the October 16, 2017 Federal Register notice.

All other SBA terms and conditions and regulatory waivers related to the Express Bridge Pilot remain unchanged, including that loans made under the Express Bridge Pilot may be eligible to be repaid with the proceeds of an SBA direct disaster loan, including loans made under the Economic Injury Disaster Loan (EIDL) Program. All references to disasters in the Express Bridge Pilot program requirements will include the COVID-19 emergency.

SBA has provided more detailed guidance in the form of a program guide, which has been updated to conform to this Notice and is available on SBA's website, <https://www.sba.gov/document/support--express-bridge-loan-pilot-program-guide>. SBA will also provide additional guidance, if needed, through SBA notices, which also will be published on SBA's website, <http://www.sba.gov>.

**Authority:** 15 U.S.C. 636(a)(25); 13 CFR 120.3.

Dated: March 19, 2020.

**Jovita Carranza,**  
*Administrator*

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