

AAHOA Applauds the Biden Administration and the SBA on New Enhancements to the EIDL Program

WASHINGTON, D.C., Aug. 13 – AAHOA’s enhanced advocacy and education efforts are continuing to help AAHOA Members and the industry get back on track.

The Small Business Administration (SBA) just announced more help is on the way for the hotel industry. Over the past several months, AAHOA has worked with the SBA and the Biden Administration to advocate for expansion and improvement of the Economic Injury Disaster Loan (EIDL) program, and the SBA heard AAHOA and our Members loud and clear that help is still needed.

The announcement of the program’s changes and improvements represent a significant step toward meaningful and tangible COVID-19 relief and our industry.

The EIDL program provides economic relief to small businesses and nonprofit organizations that are currently experiencing a temporary loss of revenue. These loans help businesses meet financial obligations and operating expenses that could have been met had the disaster not occurred.

For months, AAHOA has worked with the SBA, the Small Business Committees, and Members of Congress to push for more relief when it comes to an increase in EIDL caps and parity between the Paycheck Protection Program (PPP) and EIDL with regards to a waiver of the affiliation rules. This week, AAHOA cohosted a webinar with the SBA to walk through the soon-to-be-announced revisions to the EIDL program that mirror AAHOA’s asks – a huge win for our nearly 20,000 Members and the industry at large.

The expected enhancements and expansion of the EIDL program include:

- Raising the threshold up to \$2 million per property
- Raising the aggregate loan cap up to \$10 million
- A waiver of affiliation rules (that mirrors that of the Paycheck Protection Program)
- A waiver of the credit-elsewhere requirement
- Priority for NAICS Code 72 businesses
- A 30-year fixed amortization period with a low 3.75% interest rate
- Funds can now be used to pay down prior commercial debt and make monthly payments toward federal debt (including principal and interest payments)

It is anticipated that SBA will officially announce and begin accepting new applications and increase requests for existing EIDL holders as soon as next week. Hoteliers who are interested in applying for a loan can review EIDL [FAQ](#) here, and more information on how to apply [here](#). Note that AAHOA will keep hoteliers informed on updated documents to reflect the expanded program.

“AAHOA applauds the Biden Administration and the SBA for their work in making the EIDL program more accessible and helpful for America’s hoteliers,” said AAHOA Interim President & CEO Ken Greene. “The EIDL program’s enhancements break down barriers for hoteliers to access critical funds that are needed as hoteliers still struggle to deal with the ramifications of the pandemic.”

AAHOA recently hosted the 2021 AAHOA Convention & Trade Show, which was the first major convention in Dallas since the onset of the COVID-19 pandemic. We’re grateful for SBA Administrator Isabella Casillas Guzman, who addressed attendees and highlighted the importance of small businesses getting back on their feet to help our economy.

“Coming together as an industry is paramount to economic recovery, especially as new variants threaten to inhibit the reopening of the country,” said AAHOA Chair Vinay Patel. “Industry estimates continue to project a full recovery some time in late 2023 or 2024, and until then, AAHOA is committed to continuing its advocacy efforts and outreach to the Biden Administration and lawmakers as we lead the way on the road to recovery.”

About AAHOA

AAHOA is the largest hotel owners association in the world. The nearly 20,000 AAHOA Members own 60 percent of hotels in the United States, representing more than 3.1 million guest rooms. With billions of dollars in property assets and over one million employees, AAHOA Members are core economic contributors in virtually every community. AAHOA is a proud defender of free enterprise and the foremost current-day example of realizing the American dream.

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