

SBA Scam Alert

The Office of Inspector General recognizes that we are facing unprecedented times and is alerting the public about potential fraud schemes related to economic stimulus programs offered by the U.S. **Small Business Administration** in response to the Novel Coronavirus Pandemic (COVID-19). The Coronavirus Aid, Relief, and Economic Security Act (CARES Act), the largest financial assistance bill to date, includes provisions to help small businesses. Fraudsters have already begun targeting small business owners during these economically difficult times. Be on the lookout for grant fraud, loan fraud, and phishing as follows:

1. Emails impersonating SBA to a borrower regarding PPP loan applications. SBA DOES NOT communicate with borrowers regarding specific PPP loan applications. All PPP loan correspondence should be between the lender and the borrower.
2. Emails impersonating SBA asking for borrowers to complete and sign attached documents to “complete” their disaster “Grant Application.” SBA does not process grants. All EIDL loan processing now occurs through the EIDL portal, and legitimate loan approval emails clearly reference the original confirmation #. If additional documentation is required (95% of loans do not require more documentation), it is electronically handled in the portal. EIDL Advances process with NO action required on the part of the applicant.
3. These phishing emails are sophisticated, with SBA logos and styling consistent with legitimate SBA communications. If in doubt, the borrower may contact their local SBA office.

Report Fraud

Report any suspected fraud to:

Office of Inspector General Hotline **800-767-0385**

or online:

<https://www.sba.gov/about-sba/oversight-advocacy/office-inspector-general/office-inspector-general-hotline>