

For: State and County Offices

SBA Economic Injury Disaster Loan Program (EIDL) Lien Waivers for FSFL

Approved by: Acting Deputy Administrator, Farm Programs



1 Overview

A Background

As a result of the Paycheck Protection Program and Health Care Enactment Act of 2020, the SBA EIDL was expanded to agricultural businesses affected by COVID-19. SBA stopped accepting EIDL applications on January 1, 2022.

Small agricultural businesses were able to apply for EIDL through SBA and from FSFL's offered through FSA. The FSFL lien search process shows that SBA is a lien holder for customers with SBA EIDL loans. This is because SBA initially filed UCC-1 with State authorities that provided a general lien on all business assets to secure their EIDL. The broad nature of the standard filing provided SBA a lien on farm products, crops, livestock, and equipment.

This notice does **not** change policy on lien searches or obtaining required lien waivers. Applicants are responsible for obtaining all valid lien waivers, and FSA offices will **not** disburse loans when required lien waivers or subordination agreements have not been filed as applicable. At all times, CCC's interest in the FSFL security must be secured.

B Purpose

This notice provides guidance to State and County Offices on FSFL lien waiver policies for customers with EIDL loans through SBA who have also applied for FSFL through FSA.

Disposal Date	Distribution
October 1, 2024	State Offices; State Offices relay to County Offices

Notice FSFL-208

2 Lien Waiver Policy and Procedures for FSFL

A FSFL Lien Waivers or Subordination Agreements

Policy for conducting lien searches and completing lien waivers and subordination agreements, as applicable, remains unchanged and will continue for FSFL according to 1-FSFL, Part 7.

B Process for Requesting Signature from SBA Lienholder

As applicable, County Offices will submit the lien waiver or subordination agreement according to the following table.

Program/Form	Instructions
FSFL CCC-190	County Offices will: <ul style="list-style-type: none">• complete CCC-190, items 1 through 6 and item 9A• scan and e-mail the form to SBA.USDA.FSFL@SBA.GOV. SBA will complete items 7, 8, 9B, 10A, and 10B.
FSFL CCC-194	County Offices will: <ul style="list-style-type: none">• complete CCC-194, items 1 through 5• scan and e-mail the form to SBA.USDA.FSFL@SBA.GOV. SBA will complete item 6.

To facilitate the completion of this process, County Offices will:

- include the EIDL number that is provided in the UCC-1 filing on the lien waiver or subordination agreement

Note: The EIDL number can be found on UCC-1 in item 4, “COLLATERAL”, after the description of the collateral. Either enter the EIDL number with the producer’s name on the respective CCC-190 or CCC-194, or enter the EIDL number in the remarks section, if available.

- include a copy of the UCC-1 filing statement in the e-mail request
- **not** compile multiple lien waivers or subordination agreements into one PDF document and keep request forms separate for each producer.

Note: Multiple PDF files may be attached to 1 e-mail.

2 Lien Waiver Policy and Procedures for FSFL (Continued)

B Process for Requesting Signature from SBA Lienholder (Continued)

County Office employees must:

- allow at least a 1-week turn around to receive a response from SBA before contacting the State Office for additional assistance
- inform the producer/applicant that SBA will notify or contact them directly with changes to the EIDL as a result of the FSFL lien waiver or subordination agreement request
- **not** disburse loans without required lien waivers or subordination agreements on file
- not send multiple requests of the same document without first contacting the State Office specialist.

State Office employees must contact the National FSFL Program Manager with concerns after the lien waiver or subordination agreement has been submitted.