



COVID-19 – Small Business Assistance

The economic disruption from the COVID-19 pandemic is hurting small businesses and their employees. To help Main Street businesses make it through this crisis, the federal government has taken a number of steps to provide assistance.

The programs described below can provide a lifeline to businesses and their employees to weather this challenging period. **For more information, please contact our Small Business Rapid Response Team:**

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Paycheck Protection Program (PPP)

The Paycheck Protection Program created in the CARES Act **authorizes up to \$349 billion in forgivable loans to small businesses** to pay their employees during this crisis. The PPP is managed by the Small Business Administration.

This loan can be used to cover costs including:

- Continuation of group health care benefits during periods of paid sick, medical, or family leave, and insurance premiums
- Employee salaries, commissions, or similar compensations
- Interest on mortgage obligations incurred before February 15, 2020
- Rent under lease agreements in force before February 15, 2020
- Utilities for which service began before February 15, 2020

Who is Eligible:

- Businesses and 501(c)(3)'s with less than 500 employees
- Sole proprietors, independent contractors, and/or self-employed individuals
- Small businesses in the hospitality and food industry with more than one location if the store employs less than 500 workers at that individual location
 - If your franchisor appears in the SBA's National Franchise Directory, assistance will extend down to the franchisee at the store or location level. [Find the National Franchise Directory here.](#)

Loan Forgiveness:

The loan amounts will be forgiven as long as the loan proceeds are used to cover payroll costs, and most mortgage interest, rent, and utility costs over the 8-week period after the loan is made; and employee and compensation levels are maintained.

To apply, or for more information, please reference the links below:

- For Borrowers: [PPP Information Sheet and FAQ](#)
- To Apply: [PPP Application Form](#)



Frequently Asked Questions

Q: Where can I apply for the Paycheck Protection Program?

A: You can apply through any existing SBA 7(a) lender or through any federally insured depository institution, federally insured credit union, and Farm Credit System institution that is participating. Other regulated lenders will be available to make these loans once they are approved and enrolled in the program. **You should consult with your local lender as to whether it is participating in the program.**

Q: How quickly will businesses be able to access Paycheck Protection loans?

A: Lenders may begin processing loan applications as soon as April 3, 2020.

Q: When is the application deadline for the Paycheck Protection Program?

A: Applicants are eligible to apply until June 30, 2020.

Q: In the Paycheck Protection Program, are non-profits, churches, Chambers of Commerce, or physician practices available?

A: Non-profits and churches designated as 501(c)(3) may participate in the Paycheck Protection Program Physician practices are eligible, regardless of how they are structured. Most trade associations are organized at 501(c)(6) and are not eligible to participate.

Q: In the Paycheck Protection Program, can small businesses hire back employees they already fired and still have the loans forgiven? What is the hire back date?

A: Yes. There is flexibility in the program to allow businesses to rehire employees they have laid off and still qualify. They simply need to be in business before February 15, 2020 and show the lender they have had employees on the payroll.

Q: What is the maximum amount I can borrow?

A: The amount any small business is eligible to borrow is 250% of their average monthly payroll expenses, up to a total of \$10 million. This amount is intended to cover 8 weeks of payroll expenses and any additional amounts for making payments towards debt obligations.

Economic Injury Disaster Loan (EIDL)

The EIDL program provides small businesses with working capital loans of up to \$2 million to help overcome the temporary loss of revenue. Loans are available at an interest rate of 3.75% for small businesses and 2.75% for non-profits. The maximum term is 30 years.



These loans can be used to:

- Pay fixed debts
- Payroll
- Accounts payable
- Any other bills that cannot be paid because of the disaster's impact

EIDL Advance:

In response to the COVID-19 pandemic, small business owners in all U.S. states, Washington, DC, and all territories are eligible to apply for an Economic Injury Disaster Loan advance of up to \$10,000. This loan advance will not have to be repaid.

To apply, or for more information, please reference the links below:

- For Borrowers: [EIDL Information](#)
- To Apply: [EIDL Application Form](#)

Frequently Asked Questions

Q: How quickly will businesses be able to access an Economic Injury Disaster Loans?

A: Funds for the entire loan will typically be approved in 2-3 weeks and disbursed up to 5 days after approval. Funds for the advance will be made available within three days of a successful application.

Q: Can a borrower receive both an Economic Injury Disaster Loan (EIDL) and a Paycheck Protection Program loan?

A: Yes, businesses will be able to receive both as long as they go for different things. For example, a business can receive an EIDL for working capital and a Paycheck Protection loan for payroll assistance.

Q: If I need help with my application, are there any other resources available to help?

A: For local assistance with applications, please visit the [local assistance finder](#) on the SBA website.

Additional Resources:

- **House Small Business Committee:**
 - For more loan information and links to applications, [please visit this link](#).
 - To view a helpful flow chart outlining small business relief in the CARES Act, [please visit this link](#).
 - For an extensive summary of all small business provisions included in the CARES Act, [visit this link](#).
 - For an overview of small business provisions in the Families First Coronavirus Response Act, [please visit this link](#).
- **Small Business Administration:** For an overview of all SBA resources related to COVID-19, [please visit this link](#).
- **U.S. Chamber of Commerce:** For a summary and step-by-step instructions distributed by the U.S. Chamber, [please visit this link](#).