



U.S. Small Business
Administration

COVID-19 Economic Relief

**Tools for Small Businesses, Non-Profits &
Others Impacted by Coronavirus**

As of 5/19/20

Small Business Economic Relief

Tools Made Available in Response to Coronavirus (COVID-19)

CARES Act



Paycheck Protection Program



Economic Injury Disaster Loan Advance (up to \$10,000)



SBA Debt Relief

SBA Base Programs Expanded



Economic Injury Disaster Loans
Includes deferment through 2020



Traditional SBA-backed Lending
Includes new Express Bridge Loan Pilot



No-Cost Business Advising
Additional funding via partners

CARES Act

Created Small Business Emergency Capital & Payment Relief

Paycheck Protection Program

- Keep workers on payroll
- Up to \$10 million
- Forgivable loan if 75% used for payroll costs



Economic Injury Disaster Loan Advance

- Up to \$10,000 Advance
- No repayment
- Joint online application with Economic Injury Disaster Loan



SBA Debt Relief on Working Capital

- Automatic 6-month deferral of principal, interest and fees
- Available through September 30, 2020
- Offered by SBA-approved lenders



Paycheck Protection Program

Overview

First round: \$349 billion

- Provided in CARES Act signed into law on March 27
- Opened on April 3; funds exhausted at 10 a.m. EDT on April 16
- 1.6+ million loans approved
- SBA processed more than 14 years' worth of loans in less than 14 days

Second round: \$310 billion

- Provided in PPP & Health Care Enhancement Act signed into law on April 24
- Re-opened on April 27
- 2.7+ million loans approved as of May 16, totaling more than \$195 billion
- Money remains available

PPP total so far: 4.3+ million loans totaling \$513+ billion



Paycheck Protection Program

Great Lakes Region Total PPP Approvals as of May 16, 2020



State	Total PPP #	Total PPP \$
IL	176,819	\$22,156,267,843
IN	72,543	\$9,442,058,522
MI	111,773	\$15,778,056,406
MN	90,315	\$11,010,690,044
OH	128,316	\$18,392,976,510
WI	78,490	\$9,801,182,572
REGION TOTAL	658,256	\$86,581,231,897

REGION: Approximately 658,000 PPP loans totaling \$86+ billion approved to keep paychecks going to workers

NATION: Approximately 4.3+ million PPP loans totaling \$513+ billion in less than 7 weeks

Paycheck Protection Program

Eligibility & What it Provides

WHO is eligible:

Small business that meets SBA's size standards (either industry based or alternative size)

Any business, 501(c)(3) non-profit organization, 501(c)(19) veterans organization, or Tribal business concern with the greater of:

- 500 employees, or
- With a NAICS Code that begins with 72 (Accommodations and Food Services) with more than one physical location and employs less than 500 per location

Sole proprietors, independent contractors, and self-employed persons

WHAT does it provide:

An up to \$10 million loan, with a 2-year term and 1% interest rate of which up to eight weeks of eligible expenses are forgivable for those that retain their employees on payroll and use at least 75% of loan proceeds on payroll costs

Paycheck Protection Program

How to Apply and More Information

HOW a small business can apply:

Through a local lending institution; lenders can be found at www.sba.gov/paycheckprotection/find.

WHERE can a business get more info:

www.sba.gov/paycheckprotection



Paycheck Protection Program

If You've Already Applied

Per the PPP Interim Final Rule, funding is on a first come, first serve basis; lenders should not hold or delay applications

Applications are approved by the lender, who sends them to the SBA for verification

- Check with your lender to see if your application went into SBA's system
- Once your lender receives SBA approval, it must disburse the PPP loan within 10 days

Upon receipt, consider using a separate bank account to track expenditures for forgiveness



Paycheck Protection Program

Key Points Based on Frequently Asked Questions

The PPP's purpose is to keep paychecks going to Americans, regardless if a small business can fully open or not

Full-time and part-time employees should be counted in total

- Maximum annual salary covered is \$100,000/employee

Independent contractors and sole proprietors should file on their own (a business should not count them in payroll estimates)

The 8-week period begins the day the lender disburses the loan to the borrower

Loans greater than \$2 million will be reviewed to ensure borrower did not have adequate sources of liquidity for funding (vs. the PPP loan)

- Loan will have to be repaid if borrower is found ineligible; if repaid, the SBA will not pursue enforcement/action

Paycheck Protection Program

Loan Forgiveness Application – released May 15, 2020

Top points

- Loan Forgiveness Application needs to be submitted to lender holding the loan
- If less than 75% of the PPP loan was used for payroll costs, your forgiveness amount may be reduced
- For each employee, maximum amount you may claim is \$15,385 (8 weeks' equivalent of a \$100,000/year salary)
- If received, an EIDL Advance will be deducted from the forgivable amount
- Request for demographic information, including veteran status, gender, race and ethnicity
- If you falsify claims, the federal government may pursue civil or criminal charges

More details to come...



Economic Injury Disaster Loans & Advance

Direct Monies and Loans from the Federal Government

EIDL

- Additional \$50 billion designated in the PPP & Health Care Enhancement Act
- As of May 4, open to agri-businesses due to legislative change
- Submitted applications continue to be processed on a first-come, first-served basis
- Low interest, long term up to \$2 million and new loans deferred for 1 year



EIDL Advance

- Provided in the CARES and PPP & Health Care Enhancement Acts; total funding is \$20 billion
- Economic relief for those with a temporary loss of revenue
- Does not have to be repaid
- Up to \$10,000; based on \$1,000/employee



Economic Injury Disaster Loans & Advance

If You've Already Applied

SBA's Office of Disaster Assistance is processing both as quickly as possible; additional staff have been hired to meet the demand

EIDL Advance will be automatically deposited into your bank account

EIDLs are being processed on a first-come, first-serve basis

- If you received notice the application was submitted successfully and your confirmation begins with a **3**, the loan is being processed
- Early applicants whose confirmation begins with a **2** should have re-applied via the updated portal (the original time stamp is kept)
- Some initial applications will require additional information
- Remain open for agricultural businesses such as farms

Status updates available through SBA's Office of Disaster Assistance

- 1-800-659-2955 (TTY/TDD: 1-800-877-8339); disastercustomerservice@sba.gov
- SBA Field Offices do not have access to the EIDL or EIDL Advance applications

SBA Base Programs

Existing and New Tools for Small Business Due to Coronavirus (COVID-19)

Traditional SBA-backed Lending

- Working capital and fixed asset financing
- Payments deferred up to 6 months
- Includes new Express Bridge Loan up to \$25,000 that can bridge gaps



Business Advising & Mentoring

- 100s of locations throughout nation
- Help with documentation and forms
- Advising on future planning, supply chain concerns, etc.



SBA is Helping America's Small Biz

Wisconsin – Cradle to Crayons

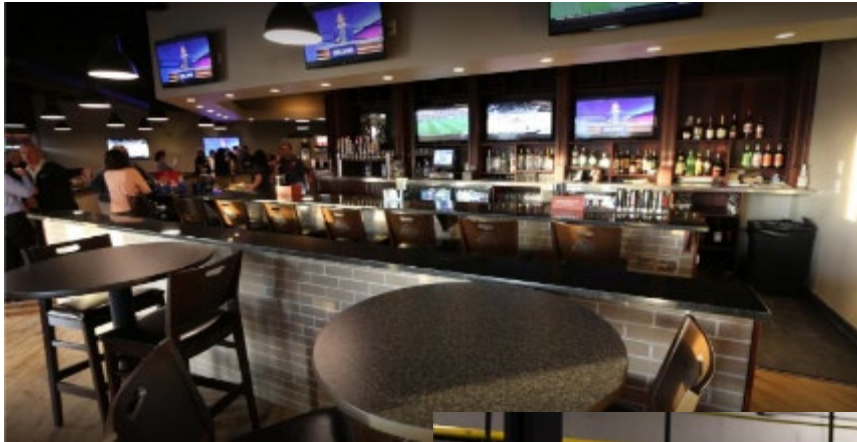


“If we can stand & weather the storm we will fill right back up – and the Paycheck Protection Program will allow us to do that.”

The owner shared the PPP loan is vital to helping her small business stay afloat.

SBA is Helping America's Small Biz

Indiana – Speedway Indoor Karting, 1911 Grill and more (5 total)



“These loans were really important for us to bridge that gap from shutdown to getting back open and to support our employees in the process.”



Questions?

[SBA.gov/coronavirus](https://www.sba.gov/coronavirus)