

Coping with COVID-19 - Resources for Small Business

SBA.gov

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Amy Kim, Area II Director, Office of Government Contracting, SBA

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- 1. CARES Act: Paycheck Protection Program (PPP)
- 2. Economic Injury Disaster Loan (EIDL) Program
- 3. SBA Express Bridge Loans
- 4. CARES Act: Small Business Debt Relief
- 5. Federal Contractors Impacted by COVID-19

CARES Act: Paycheck Protection Program (PPP)

https://www.sba.gov/ppp

	•	Small businesses that meet SBA size standards (<u>www.sba.gov/size</u>);
Eligible Entities	•	Non-profits including religious organizations, veterans' organizations, tribal concerns (500 employees or meet SBA size standards if greater than 500 employees);
	•	Self-employed individuals and independent contractors; and
	•	Accommodations and Food Services concerns (NAICS Code starting with 72) with more than one physical location are eligible if fewer than 500 employees per location

- <u>Loan Amount</u>: Up to \$10 million, reflecting two months of your average monthly payroll costs from the last year plus additional 25%
- <u>Use of Funds</u>: Payroll costs, including benefits; interest on mortgage, rent, and utilities
- <u>Loan Forgiveness</u>: Granted if 75% or more of loan amount is used to cover payroll expenses and staff levels are maintained

- Interest Rate: 1%
- <u>Collateral</u>: None required, no personal guarantee needed
- <u>Maturity</u>: 2 Years (1st payment deferred for 6 months)
- Processed through lenders. Apply through PPP participating lenders. For a list of current PPP lenders, search by zip code at <u>https://www.sba.gov/paycheckprotection/find</u>

Subject to Congressional appropriations

Economic Injury Disaster Loan Program (EIDL)

Eligible Entities	•	Small businesses with fewer than 500 employees (Certain businesses may qualify under a greater size standard.); Sole proprietors/self-employed individuals and independent contractors;
	•	Non-profits, veterans' organizations, and tribal concerns

- <u>Loan Amount</u>: Up to \$2 million; up to \$10K received as an advance that will be forgiven entirely
- <u>Use of Funds</u>: Fixed debts, payroll, accounts payable and other bills
- Interest Rate: 3.75% for business and 2.75% for non-profits

- <u>Repayment</u>: 30 years (first payment due 12 months after loan issuance)
- Processed directly by SBA, not through third-party lenders
- Apply on the SBA website at <u>https://covid19relief.sba.gov</u>

Subject to Congressional appropriations

SBA Express Bridge Loans

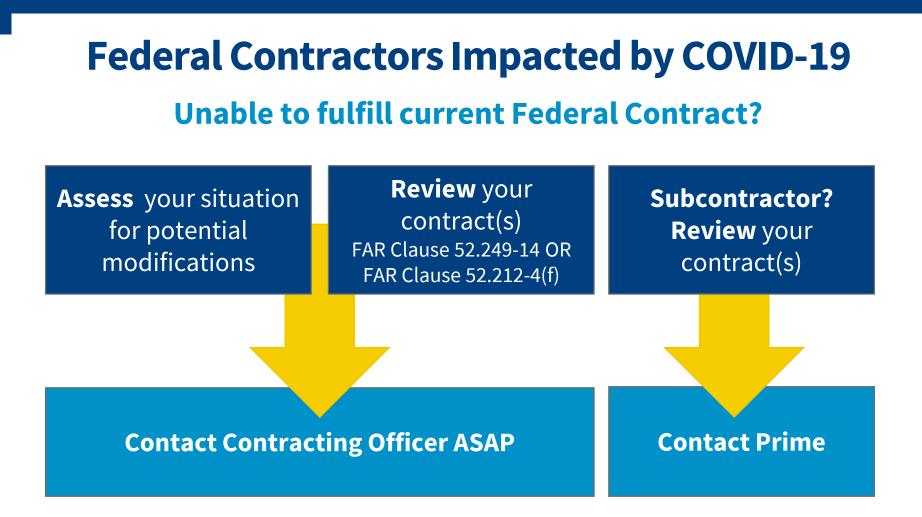
- Allows small businesses that currently have a business relationship with an SBA Express Lender to access up to \$25,000 with less paperwork
- Acceptable use: Short-term funding to bridge the gap while applying for an <u>Economic Injury Disaster Loan</u> or used as term loan
- Repayment in full or partially via the SBA Economic Injury Disaster Loan program

https://www.sba.gov/funding-programs/loans/coronavirus-relief-options/sbaexpress-bridge-loans

CARES Act: Small Business Debt Relief Program

- This program provides immediate relief to small businesses with non-disaster SBA-backed loans, including 7(a), 504, and microloans
- For the first six months, SBA will cover all loan payments on these loans including principal, interest, and fees, for six months
- This relief will also be available to new borrowers who take out loans by September 27, 2020

https://www.sba.gov/funding-programs/loans/coronavirus-relief-options/sbadebt-relief



Maintain frequent communication

Additional Information: <u>Acquisition.gov/Coronavirus</u>

Online Information

For small businesses impacted by the pandemic

SBA.gov/Coronavirus

For information on SBA's **Paycheck SBA.gov/PaycheckProtection Protection Program**

For information on SBA's **Economic** Injury Disaster Loans (EIDL) <u>SBA.gov/Disaster</u>

Current CDC business guidance on planning for and responding to the Coronavirus pandemic Coronavirus.gov

For Federal Contractors

Acquisition.gov/Coronavirus