



U.S. Small Business
Administration

COVID-19 Economic Relief

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

As of 5/7/20

Small Business Economic Relief

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

CARES Act



Paycheck Protection Plan



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

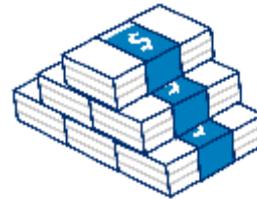


SBA Debt Relief

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
- 2.4 million+ loans approved as of May 6, totaling almost \$183 billion
- Money remains available

PPP total so far: 4 million loans totaling \$525+ billion



Paycheck Protection Program

What has been approved in Great Lakes Region as of **May 1, 2020**

State	PPP Round 1 #	PPP Round 1 \$	PPP Round 2 #	PPP Round 2 \$	Total # PPP loans	Total PPP loan \$
IL	69,893	\$15,972,578,071	89,735	\$6,578,447,775	159,628	\$22,551,025,846
IN	35,990	\$7,491,445,351	31,757	\$2,060,003,401	67,747	\$9,551,448,752
MI	43,438	\$10,381,310,070	60,373	\$5,566,493,089	103,811	\$15,947,803,159
MN	46,383	\$9,014,060,040	37,267	\$2,196,430,755	83,650	\$11,210,490,795
OH	59,800	\$14,108,889,927	58,834	\$4,712,846,309	118,634	\$18,821,736,236
WI	43,395	\$8,317,705,842	29,947	\$1,679,859,519	73,342	\$9,997,565,361
REGION TOTAL	298,899	\$65,285,989,301	307,913	\$22,794,080,848	606,812	\$88,080,070,149



REGION: Approximately 607,000 PPP loans totaling \$88+ billion as of May 1

NATION: Approximately 4 million PPP loans totaling \$525+ billion as of May 6

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 participating 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

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 SBA for verification

- If you applied before Phase 2, check with your lender to see if your application went into SBA's system
- If you applied in Phase 2, confirm your lender has all it needs to submit your application to the SBA

A lender has up to 10 days after SBA verifies the PPP loan for the loan disbursement

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



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 loans; 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

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

Rural / Agriculture-related

Increased eligibility for farms

Agricultural-related industries such as production of food and fiber, ranching and raising of livestock, aquaculture, and independently-owned farming and agriculture-related entities with 500 or fewer employees whose principal place of residence is in the U.S are eligible

EIDLs are now available for farms

- SBA's disaster program was previously restricted for agricultural businesses
- Portal opened on May 4 for these applications

USDA continues to be a resource: www.usda.gov/coronavirus



Rural / Agriculture-related

PPP Loan Specifics

Are agricultural producers, farmers, and ranchers eligible for PPP loans?

Yes, if: (i) the business has 500 or fewer employees, or (ii) the business fits within the revenue-based sized standard, which is average annual receipts of \$1 million.

Additionally, agricultural producers, farmers, and ranchers can qualify for PPP loans as a small business concern if their business meets SBA's "alternative size standard." This is: (1) maximum net worth of the business is not more than \$15 million, and (2) the average net income after Federal income taxes (excluding any carry-over losses) of the business for the two full fiscal years before the application date is not more than \$5 million.

For all these criteria, the applicant must include its affiliates in its calculations.

Additionally, **agricultural and other forms of cooperatives are eligible** to receive PPP loans as long as other PPP eligibility requirements are met.

Rural / Agriculture-related

PPP Loan: self-employed farmers

I am a self-employed individual who reports my income on IRS Form 1040 Schedule F. What documentation must I provide in place of Schedule C and how should my maximum loan amount be determined (up to \$10 million)?

Self-employed farmers (i.e., those who report their net farm profit on IRS Form 1040 Schedule 1 and Schedule F) should use IRS Form 1040 Schedule F in lieu of Schedule C, and Schedule F line 34 net farm profit should be used to determine their loan amount in place of Schedule C line 31 net profit. The calculation is otherwise the same as for Schedule C filers above. The 2019 IRS Form 1040 Schedule 1 and Schedule F must be included with the loan application.

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)