



U.S. Small Business
Administration



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SBA Economic Resources for COVID-19

Richmond, VA District Office

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www.sba.gov/va

@SBA_Virginia

Agenda

- Quick Comparison of EIDL and PPP
- PPP Talking Points
- How to Find a PPP Lender
- EIDL Application Process
- EIDL \$10,000 Emergency Advance
- How to check on your EIDL Application
- Using PPP and EIDL Together
- SBA's Other programs: SBA Debt Relief and SBA Express Loans

Update

Faith-based Organizations

- All **faith-based organizations** impacted by Coronavirus (COVID-19) are eligible to participate in the Paycheck Protection program and the Economic Injury Disaster Loan program, without restrictions based on their religious identity or activities, to the extent they meet the eligibility criteria outlined in the CARES Act.

Quick Comparison

	EIDL+\$10,000 Advance	PPP
Interest Rates	3.75% for Small Businesses 2.75% for private non-profits	1%
Maximum Loan Amount	\$2.0 Million	\$10 Million
Period of Deferment	12 months	6 months
Forgiveness	\$10,000 Emergency Advance is forgivable	Fully forgiven if used for payroll costs, interest on mortgage, rent and utilities. At least 75% must be used on payroll.
Maturity	Up to 30 years, depends of repayment ability	2 years
How to Apply	Direct loan through SBA Disaster	Through SBA Lenders who have opted into the program

Deadlines

PPP – June 30, 2020

EIDL – December 21, 2020

“First-come, first serve”

Paycheck Protection Program (PPP)

- Not a direct SBA loan, is administered through an SBA designated lender
- SBA will forgive the portion of the loan proceeds used for payroll costs and other designating operating expenses for up to **8 weeks**, when at least **75% of loan proceeds** are used for payroll costs.
- You may use funds for: payroll costs, costs related to group healthcare benefits, rent payments, utility payments, interest payments, refinancing an EIDL COVID loan (loans prior to April 3, 2020); **although we are awaiting further guidance. Note: mortgage debts, rental leases and utility service must have been in place before 2/15/2020.**

PPP Eligibility

- Generally defined as a small business (500 employees or less)
- OR a tax-exempt non-profit 501(c)3, a tax-exempt veteran organization 501(c)19, Tribal Business concern
- Were in operation on February 15, 2020 and either had employees who you paid salaries and payroll taxes or paid independent contractors (Form 1099-MSC).
- Operating a Sole Prop. or as an Independent Contractor

Calculating Maximums for PPP

Step 1: Aggregate payroll costs from the last 12 months for employees whose principal place of residence is the US.

Step 2: Subtract any compensation paid to an employee in excess of annual salary of \$100,000 and/or any amounts paid to an independent contractor or sole proprietor in excess of \$100,000.

Step 3: Calculate average monthly payroll costs (divide the amount from Step 2 by 12)

Step 4: Multiple the average monthly payroll cost for Step 3 by 2.5

Step 5: Add the outstanding amount of an EIDL less the amount of any “advance” under an EIDL COVID-19 loan (because it doesn’t have to be repaid)

PPP Forms

- ✓ SBA Form 2483 (PPP Borrower application)
- ✓ Payroll documentation
- ✓ SBA Form 2484 (Lender's Application-lender submits)

<https://www.sba.gov/sites/default/files/2020-04/PPP%20Borrower%20Application%20Form.pdf>

Interim Rule and FAQ's

- <https://home.treasury.gov/system/files/136/Paycheck-Protection-Program-Frequently-Asked-Questions.pdf>
- https://www.sba.gov/sites/default/files/2020-04/PPP--IFRN%20FINAL_0.pdf

How to find a PPP Lender

NOTE: SBA is refining this tool. If you do not see a lender in your area using this tool, we advise asking lenders in your area if they are accepting PPP loan applications.

<https://www.sba.gov/paycheckprotection/find>



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Find Eligible Lenders

Use this tool to find a nearby lender eligible to issue a loan under the Paycheck Protection Program.

Near

SEARCH



Applying for the Economic Injury Disaster Loan (EIDL)

<https://covid19relief.sba.gov/#/>

* If you uploaded your documents under the second iteration of the application process and HAVE NOT received an application number, please resubmit under this link

Eligibility Screening

COVID-19 ECONOMIC INJURY DISASTER LOAN APPLICATION



DISCLOSURES



BUSINESS INFORMATION



BUSINESS OWNERS INFORMATION



ADDITIONAL INFORMATION



SUMMARY

STREAMLINED PROCESS REQUIREMENTS

SBA is collecting the requested information in order to make a loan under SBA's Economic Injury Disaster Loan Program to the qualified entities listed in this application that are impacted by the Coronavirus (COVID-19). The information will be used in determining whether the applicant is eligible for an economic injury loan. If you do not submit all the information requested, your loan cannot be fully processed.

The Applicant understands that the SBA is relying upon the self-certifications contained in this application to verify that the Applicant is an eligible entity to receive the advance, and that the Applicant is providing this self-certification under penalty of perjury pursuant to 28 U.S.C. 1746 for verification purposes.

The estimated time for completing this entire application is two hours and ten minutes, although you may not need to complete all parts. You are not required to respond to this collection of information unless it displays a currently valid OMB approval number.

ELIGIBLE ENTITY VERIFICATION

Choose One:

- Applicant is a business with not more than 500 employees.
- Applicant is an individual who operates under a sole proprietorship, with or without employees, or as an independent contractor.
- Applicant is a cooperative with not more than 500 employees.
- Applicant is an Employee Stock Ownership Plan (ESOP), as defined in 15 U.S.C. 632, with not more than 500 employees.
- Applicant is a tribal small business concern, as described in 15 U.S.C. 657a(b)(2)(C), with not more than 500 employees.
- Applicant is a business, including an agricultural cooperative, aquaculture enterprise, nursery, or producer cooperative, that is small under SBA Size Standards found

<https://covid19relief.sba.gov/#/>

EIDL Application



OMB Control #3247-0406
Expiration Date: 09/30/2020

Disaster Loan Assistance

Federal Disaster Loans for Businesses, Private Non-profits, Homeowners and Renters

COVID-19 ECONOMIC INJURY DISASTER LOAN APPLICATION

DISCLOSURES — BUSINESS INFORMATION — BUSINESS OWNERS INFORMATION — ADDITIONAL INFORMATION — SUMMARY

Step 1 of 3
Business Information

Business Legal Name *

Trade Name *

EIN/SSN for Sole Proprietorship *

Organization Type *

Is the Applicant a Non-Profit Organization? *

Yes No

<https://covid19relief.sba.gov/#/>



EIDL Application

Trade Name *

EIN/SSN for Sole Proprietorship *

Organization Type*

Is the Applicant a Non-Profit Organization? *

Yes No

Is the Applicant a Franchise? *

Yes No

Gross Revenues for the Twelve(12) Month Prior to the Date of the Disaster (January 31, 2020) *

Cost of Goods Sold for the Twelve(12) Month Prior to the Date of the Disaster (January 31, 2020) *

Rental Properties (Residential and Commercial) Only - Lost Rents Due to the Disaster

Non-Profit Cost of Operation for the Twelve(12) Month Prior to the Date of the Disaster (January 31, 2020)

Combined Annual Operating Expenses for the Twelve(12) Months Prior to the Date of the Disaster (January 31, 2020) for All Secular Social Services Provided by the Faith Based Entity

List the Secular Social Services Provided by the Faith Based Entity

Compensation From Other Sources Received as a Result of the Disaster

Provide Brief Description of Other Compensation Sources

Economic Injury Disaster Loan Advance

If anyone assisted you in completing this application, whether you pay a fee for this service or not, that person must enter their information below.

Individual Name

Name of Company

Phone Number

Street Address, City, State, Zip

Fee Charged or Agreed Upon

I give permission for SBA to discuss any portion of this application with the representative listed above.

Yes No

I would like to be considered for an advance of up to \$10,000.

Where to Send Funds

Bank Name *

Account Number *

Routing Number *

On behalf of the individual owners identified in this application and for the business applying for the loan:

I/We authorize my/our insurance company, bank, financial institution, or other creditors to release to SBA all records and information necessary to process this application and for the SBA to obtain credit information about the individuals completing this application.

If my/our loan is approved, additional information may be required prior to loan closing. I/We will be advised in writing what information will be required to obtain my/our loan funds. I/We hereby authorize the SBA to verify my/our past and present employment information and salary history as needed to process and service a disaster loan.

- If approved, these funds can be used for payroll and other operating expenses– and may be forgiven.
- Will be disbursed within **3 days** of processing a successful application

<https://covid19relief.sba.gov/#/>

Other Tips

- Complete paper documents and upload in an off-peak hour (7pm-7am)
- Save your application number

<https://covid19relief.sba.gov/#/>

Checking On Your EIDL Application

- For specific application related questions or to check your status, reach out to SBA's Disaster Customer Service Center at (800) 659-2955 or email

disastercustomerservice@sba.gov

- For assistance with filling out the application and financial documentation, make a virtual appointment with your local resource partner.

<https://www.sba.gov/local-assistance>

<https://covid19relief.sba.gov/#/>

Using both the PPP and EIDL

- You can apply for both; however the funds cannot be used for the same purpose.
- Borrowers who accept both loan funds should document the uses of funds appropriately.
- You are still eligible for PPP if you received EIDL funds.
- You may use PPP to refinance EIDL if your EIDL funds were used for payroll costs (applies to EIDL loans made between 1/31/20 and 4/3/20).
- Any advance up to \$10,000 from EIDL will be deducted from the loan forgiveness amount of the PPP loan.

Other SBA COVID-19 Programs

www.sba.gov/coronavirus

- SBA Debt Relief-
 - SBA pays principal and interest of **new 7(a) loans** issued prior to September 27, 2020
 - The SBA will pay the principal and interest of **current 7(a) loans** for a period of six months.
- SBA Express Bridge Disaster Loans-
 - For small businesses with a business relationship with an SBA Express Lender to access up to \$25,000 with less paperwork.
 - To bridge the gap while waiting for the EIDL Loan.
 - Up to \$25,000 with a fast turn around

Contact Information for PPP/EIDL

www.sba.gov/coronavirus

Questions??	EIDL	PPP
Learning about each program	Your local SBA District Office: Richmond.VA@sba.gov or 804-771-2400	
Assembling Your Financial Documentation	Your Local Resource Partner: www.sba.gov/local-assistance	
Help Filling Out Your Application	Resource Partner	Resource Partner and Your Lender
Checking-In On Your Application	Disaster Customer Service at (800) 659-2955 or disastercustomerservice@sba.gov	Your Lender



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Coronavirus Information Resources

For detailed information on SBA programs about the coronavirus, please visit: www.sba.gov/coronavirus

For information on all federal programs, visit
www.usa.gov/coronavirus

or

www.gobierno.usa.gov/coronavirus (en Español).



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