

# NEW FEDERAL “PAYCHECK PROTECTION PROGRAM” PROVIDES FINANCIAL SUPPORT FOR SMALL BUSINESS



## PAYCHECK PROTECTION PROGRAM OVERVIEW

**Who can apply:** Businesses with fewer than 500 employees, including non-profits, veterans organizations, tribal concerns, self-employed individuals, sole proprietorships and independent contractors.

**When to apply:** Starting April 3, 2020, small businesses and sole proprietorships can apply. Starting April 10, 2020, independent contractors and self-employed individuals can apply.

**Available loan amount:** Loans can be for up to two months of average monthly payroll costs from last year plus an additional 25% of that amount up to a maximum of \$10M.

**What it can pay for:** Monthly expenses like payroll (including benefits), interest on mortgage obligations, rent and utilities incurred from February 15, 2020 through June 30, 2020.

The CARES Act, signed on March 27, 2020 was designed in part to provide financial resources to Small Business Owners seeking support due to COVID-19.

The new provision in the CARES Act, called the Paycheck Protection Program, makes \$349B of funding available through the Small Business Administration (SBA).

The loans will be forgiven if certain conditions are met.

We're providing information to help business owners understand more about the program, including how they can apply for assistance.

## LOAN FORGIVENESS – GENERAL GUIDELINES

The loan will be forgiven if:

- The loan amount was only used for payroll costs, mortgage interest, rent, and utilities payments over the 8 weeks after getting the loan.
- The borrower maintained staff and payroll (ie: did not decrease full-time employee headcount and/or did not decrease salaries | wages by more than 25%).

The borrower has until June 30, 2020 to restore full-time employment and salary levels for any changes made between February 15, 2020 and April 26, 2020.

A borrower should speak with their lender to fully understand the terms of the loan.

## APPLY NOW

A small business owner can apply through any existing SBA lender or through any federally insured depository institution, federally insured credit union and Farm Credit System institution that is participating. Be sure to ask the lender if they are participating.

To access approved SBA lenders in the area, click [here](#).

To download a Paycheck Protection Program (PPP) application, click [here](#).

**Remember: the deadline to apply is June 30, 2020.**

## ADDITIONAL RESOURCES

Get a more detailed explanation of the Program through the [Paycheck Protection Program \(PPP\) Information Sheet](#)

