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BUSINESS
WEBINAR SERIES

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COVID-19: Small Business Resources Webinar



C. E. "TEE" ROWE

President & CEO
America's SBDC



TOM SULLIVAN

Vice President
Small Business Policy
U.S. Chamber of Commerce

Moderated by Stephanie Cegielski, Vice President of Public Relations, ICSC

U.S. Chamber of Commerce

Tom Sullivan
Vice President
Small Business Policy

Federal Stimulus Actions to Help Small Business Weather the Coronavirus Pandemic

MAJOR PROVISIONS | IMPLEMENTATION | RESOURCES

Tom Sullivan
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THREE LAWS IN THREE WEEKS – WASHINGTON'S QUICK ACTION

- **Coronavirus Preparedness and Response Supplemental Appropriations Act (March 6, 2020)**
- **Families First Coronavirus Response Act (March 18, 2020)**
- **Coronavirus Aid, Relief, and Economic Security Act (CARES Act) (March 27, 2020)**

MAJOR PROVISIONS FOR EMPLOYERS

All Employers

- Tax Changes
- Employee Retention Credit

Larger Employers

- Loans, Loan Guarantees, Federal Reserve Credit Facilities

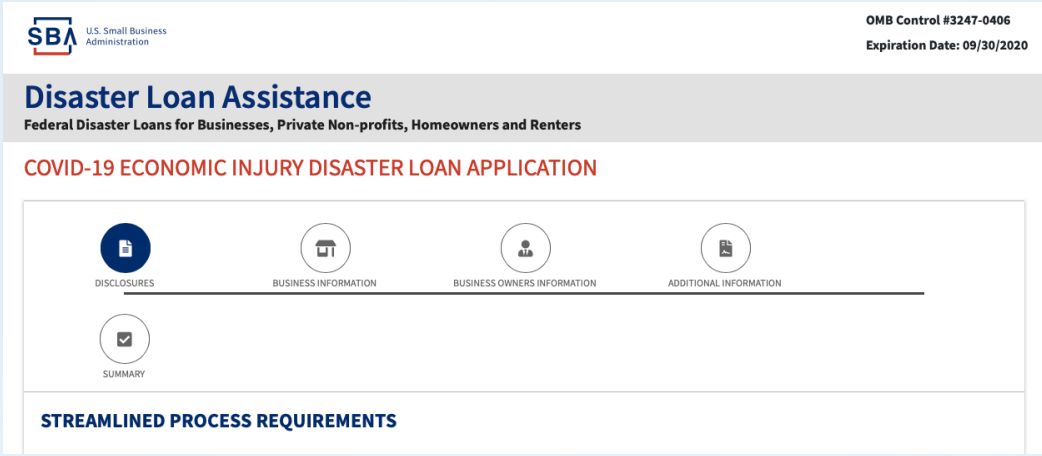
Small Businesses, Self-Employed, Independent Contractors, & Non-Profits

- Paycheck Protection Program
- SBA Economic Injury Disaster Loans (EIDL)

SMALL BUSINESSES, SELF-EMPLOYED, INDEPENDENT CONTRACTORS, NON-PROFITS

SBA Economic Injury Disaster Loans

- SBA Disaster Loans with a 60-year history
- Small businesses & non-profits with fewer than 500 employees
- Self-employed & independent contractors
- Up to $2 million working capital loan up to 30-year term
- 3.75 % rate with payments deferred up to 1 year
- Loans based on credit scores; no tax returns required
- $10,000 emergency grant within 3 days that does not have to be repaid
- Interacts with Paycheck Protection Program
- Apply through SBA.gov
- Note: Small businesses that applied before March 30th, go to SBA.gov and Re-Apply for the $10,000 Emergency Grant



SMALL BUSINESSES, SELF-EMPLOYED, INDEPENDENT CONTRACTORS, NON-PROFITS

Paycheck Protection Program

- $349 Billion in loans for small business (generally less than 500 employees), 501(c)(3)s, self-employed, sole proprietors, and independent contractors
- Loans equal to the lesser of 2 ½ months of average payroll or $10 million
- Loans by local and national lenders
- Minimal requirements (e.g. no collateral, no personal guarantee)
- Loans convert to grants equal to amount spent on payroll, rent, interest on mortgage, and utilities for the 8 weeks after origination
- Loan forgiveness is reduced proportionally if the employer reduces number of FTEs
- Loan forgiveness is reduced if employer reduces wages by more than 25%
- Employer can avoid reduction in forgiveness if they bring back employees and restore wages generally within 30 days and maintain through June 30

SMALL BUSINESSES, SELF-EMPLOYED, INDEPENDENT CONTRACTORS, NON-PROFITS

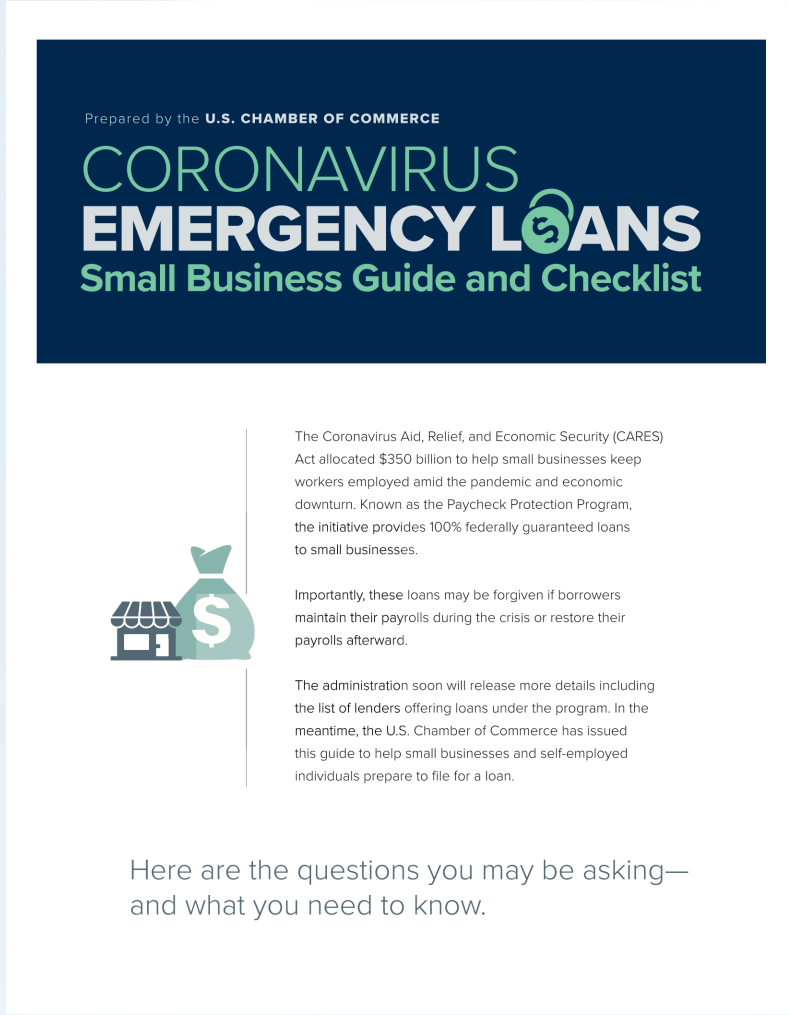
Paycheck Protection Program (PPP)
BREAKING NEWS MARCH 31ST

- On Tuesday, March 31, 2020 the U.S. Department of Treasury released guidance for banks and borrowers
- Starting Friday, April 3rd, SBA 7(a) lenders can offer Paycheck Protection Program loans for small businesses
- Starting Friday, April 10th, SBA 7(a) lenders extend program to non-employer small businesses.
- Other lenders will be applying to SBA to participate. Ask your bank if they offer PPP loans.
- PPP loans have a 0.50% fixed rate and the loan is due in 2 years.

LEARN MORE ABOUT THE PAYCHECK PROTECTION PROGRAM

KEEP UP TO DATE

www.uschamber.com/sbloans



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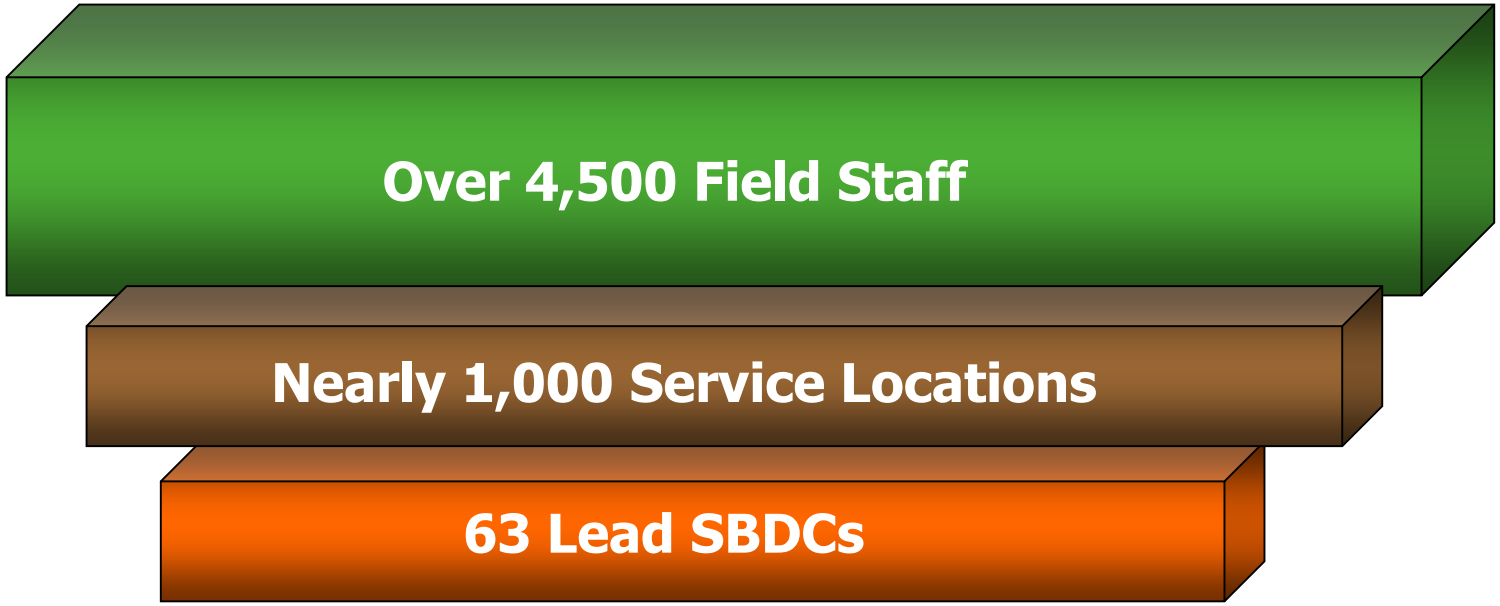


America's Small Business Development Centers

C.E. "Tee" Rowe
President & CEO

COVID-19 Resources America's Small Business Development Centers

SBDC Network Resources



The Paycheck Protection Act

- $349 billion available thru banks
- Up to $10 million
- 0.50% interest over 2 years
- Forgiveness for 8 weeks of payroll, operating costs
- No collateral or personal guarantees
- Must be operational as of 2/15/20 w/ employees
- Program available thru June 30, 2020

PPP cont'd

- Must have fewer than 500 employees
- May rehire any laid off employees
- Payments deferred for 6 months
- The PPP is specifically designed to help small businesses keep their workforce employed

PPP FAQs

- Do I count 1099s?
- What about multiple locations?
- What if I applied for a disaster loan already?

Economic Injury Disaster Loan Program

- Amounts up to $2 million
- SBA direct loan, online application
- 2-3 week turnaround
- 3.75% rate for up to 30 years
- No collateral up to $25,000
- No personal guarantee up to $200,000
- Payment deferral for 1 year

Economic Injury Disaster Grants

- Amount: Up to $10,000
- Any business in operation since 1/1/20
- $10 billion available
- Turn around - about 3 days
- Purposes – payroll, leave, rent, lease or other obligations
- Available regardless of whether underlying loan approved

Other Provisions

- **Other SBA loans**
  - Existing 7a and 504 loans
  - Borrowers relieved of obligation to pay interest and principal for 6 months

Where to find SBDCs

- www.americassbdc.org
- Use the locator by state or zip code
- Nearly 1,000 locations – They're all around
- Still working remotely!
- THANK YOU !

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