

# Overview of Small Business Programs

## *1. SBA Paycheck Protection Program*

### Loan Information

- The Paycheck Protection Program is a loan designed to provide a direct incentive for small businesses to keep their workers on the payroll.
- SBA will forgive loans if all employees are kept on the payroll for eight weeks and the money is used for payroll, rent, mortgage interest, or utilities.
- You can apply through any existing SBA 7(a) lender or through any federally insured depository institution, federally insured credit union, and Farm Credit System institution that is participating.
- To locate an SBA Lender near you, please visit: <https://www.sba.gov/paycheckprotection/find>
- Other regulated lenders will be available to make these loans once they are approved and enrolled in the program. You should consult with your local lender as to whether it is participating in the program.
- Lenders may begin processing loan applications as soon as April 3, 2020. The Paycheck Protection Program will be available through June 30, 2020.
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### Who Can Apply

- This program is for any small business with less than 500 employees (including sole proprietorships, independent contractors and self-employed persons), private non-profit organization or 501(c)(19) veterans organizations affected by coronavirus/COVID-19.
- Businesses in certain industries may have more than 500 employees if they meet the [SBA's size standards](#) for those industries.
- Small businesses in the hospitality and food industry with more than one location could also be eligible if their individual locations employ less than 500 workers.

### Loan Details and Forgiveness

- The loan will be fully forgiven if the funds are used for payroll costs, interest on mortgages, rent, and utilities (due to likely high subscription, at least 75% of the forgiven amount must have been used for payroll). Loan payments will also be deferred for six months. No collateral or personal guarantees are required. Neither the government nor lenders will charge small businesses any fees.
- Forgiveness is based on the employer maintaining or quickly rehiring employees and maintaining salary levels. Forgiveness will be reduced if full-time headcount declines, or if salaries and wages decrease.
- This loan has a maturity of 2 years and an interest rate of 1%.
- If you wish to begin preparing your application, you can download a copy of the [PPP borrower application form](#) to see the information that will be requested from you when you apply with a lender.

### Documents Needed to Apply

In addition to your completed SBA Paycheck Protection Program application, you should have the following documents and information available and ready to review with your banker:

- Articles of incorporation for each borrowing entity
- By-laws or operating agreement for each borrowing entity
- Copies of each owner's driver's license
- Payroll expense verification documents
- IRS forms [940](#) and [941](#)
- Payroll summary report with corresponding bank statements
- Breakdown of payroll benefits (vacation, allowance for dismissal, group healthcare benefits, retirement benefits, etc.)
- [1099s](#) (if you are an independent contractor)
- Certification that all employees live within the United States
- If any do not, provide a detailed list with corresponding salaries

- Trailing twelve-month profit and loss statement (as of the date of application) for all applicants
- Most recent mortgage or rent statement
- Most recent utility bills

## ***2. Economic Injury Disaster Loan Emergency Advance***

### **Overview**

- In response to the Coronavirus (COVID-19) pandemic, small business owners in all U.S. states, Washington D.C., and territories are eligible to apply for an Economic Injury Disaster Loan advance of up to \$10,000. This advance will provide economic relief to businesses that are currently experiencing a temporary loss of revenue. Funds will be made available following a successful application. This loan advance will not have to be repaid.

### **Eligibility**

- The SBA's Economic Injury Disaster Loan provides vital economic support to small businesses to help overcome the temporary loss of revenue they are experiencing as a result of the COVID-19 pandemic.
- This program is for any small business with less than 500 employees (including sole proprietorships, independent contractors and self-employed persons), private non-profit organization or 501(c)(19) veterans organizations affected by COVID-19.
- Businesses in certain industries may have more than 500 employees if they meet the [SBA's size standards](#) for those industries.
- Funds will be made available within days of a successful application, and this advance on the loan will not have to be repaid. Lenders may begin processing loan applications as soon as April 3, 2020.

**To apply for a COVID-19 Economic Injury Disaster Loan, [click here](#).**

## ***3. SBA Express Bridge Loans***

Enables small businesses who currently have a business relationship with an SBA Express Lender to access up to \$25,000 quickly.

- The [Express Bridge Loan Pilot Program](#) allows small businesses who currently have a business relationship with an SBA Express Lender to access up to \$25,000 quickly.
- These loans can provide vital economic support to small businesses to help overcome the temporary loss of revenue they are experiencing and can be a term loans or used to bridge the gap while applying for a direct [SBA Economic Injury Disaster loan](#).
- If a small business has an urgent need for cash while waiting for decision and disbursement on an Economic Injury Disaster Loan, they may qualify for an SBA Express Disaster Bridge Loan.

### **Terms**

- Up to \$25,000
- Fast turnaround
- Will be repaid in full or in part by proceeds from the EIDL loan.

## ***4. SBA Debt Relief***

The SBA is providing a financial reprieve to small businesses during the COVID-19 pandemic.

### **Overview**

- As part of SBA's debt relief efforts,

- The SBA will automatically pay the principal, interest, and fees of current 7(a) loans for a period of six months.
- The SBA will also automatically pay the principal, interest, and fees of new 7(a) loans issued prior to September 27, 2020.
- Explore additional SBA loan products [here](#).

### ***5. Other Assistance***

- [Enhanced Debt Relief](#) is also available in SBA's other business loan programs to help small businesses overcome the challenges created by this health crisis.
- For information on additional Lending options, please [click here](#).
- SBA provides local assistance via 68 district offices and a nationwide network of resource partners. To find resources near you, please [click here](#).