

WHAT IS THE PAYCHECK PROTECTION PROGRAM (PPP)?

The Paycheck Protection Program prioritizes millions of Americans employed by small businesses by authorizing up to \$659 billion toward job retention and certain other expenses.

Paycheck Protection Program 1

Who is Eligible?

Any business concern, 501 (c) (3) organization, veteran's organization, or Tribal business concern that no more than 500 employees

- ▶ Sole proprietors
- ▶ Independent Contractors
- ▶ Self-employed individuals
- ▶ Faith Based Organizations that operate as a 501c3

How Can I Apply?

Interested borrowers are encouraged to inquire with a local 7(a) lender, community bank or credit union. For a list of participating lenders visit <https://www.sba.gov/funding-programs/loans/coronavirus-relief-options/paycheck-protection-program-ppp>

How Much?

The maximum size of the loan is 250% of an employer's average monthly payroll cost during the period Feb. 15, 2019 to June 30, 2019, capped at \$10 million.

How Long Will the Process Take?

Depending on if your documents are complete, the process could take up to 2 weeks.

How Can It Be used?

- ▶ Employee compensation, including: salaries, wages, commissions, or similar compensation; cash tips or equivalents; vacation, parental, family, medical, or sick leave; payment required for providing group health care benefits (including insurance premiums); payment of retirement benefits; and payroll taxes
- ▶ Any compensation or income of a sole proprietor or independent contractor no greater than \$100,000 in one year
- ▶ Payment of interest on mortgage obligations, rent, utilities, and interest on pre-existing debt obligations

Paycheck Protection Program 2

Who is Eligible?

- ▶ You received a First Draw PPP Loan;
- ▶ You have used or will use full First Draw PPP Loan amount on eligible expenses before Second Draw PPP Loan disbursement date
- ▶ You have 300 or fewer employees unless larger SBA size standards apply based on NAICS code³ (businesses with NAICS code beginning with 72 and certain news or public broadcasting entities may be eligible if no more than 300 employees or higher SBA size standard per location)
- ▶ You experienced a 25% or greater revenue reduction in 2020 relative to 2019 (measuring either annual gross receipts or quarterly gross receipts for the same quarter year-over-year)

How Can I Apply?

SBA Online Portal at <https://covid19relief.sba.gov/#/>
Download the PDF on the agency's website and mail the forms.

How Much?

For most borrowers, the maximum loan amount of a Second Draw PPP Loan is 2.5x average monthly 2019 or 2020 payroll costs up to \$2 million. Accommodation and Food Services sector (click [HERE](#) for NAICS 72 to confirm), the maximum loan amount for a Second Draw PPP Loan is 3.5x average monthly 2019 or 2020 payroll costs up to \$2 million.

How Long Will the Process Take?

Once the application is completed, it will take 7-10 business days.

How Can It Be Used?

- ▶ help fund payroll costs
- ▶ including benefits
- ▶ mortgage interest
- ▶ rent
- ▶ utilities
- ▶ worker protection costs related to COVID-19
- ▶ uninsured property damage costs caused by looting or vandalism during 2020
- ▶ certain supplier costs and expenses for operations

