

**Congressman Johnson's 4th District manual that provides Guidance and Loan Resources to help small businesses, sole proprietors, and independent contractors navigate the \$2T stimulus, and the \$350B in emergency loans created by Congress to help you keep your workers employed.**



***Always Concerned About Your Best Interest***

Congressman Hank Johnson  
Georgia's 4th Congressional District

# COVID-19

## Coronavirus (COVID-19): Small Business Guidance & Loan Resources

Health and government officials are working together to maintain the safety, security, and health of the American people. Small businesses are encouraged to do their part to keep their employees, customers, and themselves healthy.

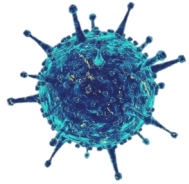


**CONGRESSMAN HANK JOHNSON**

**Georgia's 4th Congressional District**

## Economic Injury Disaster Small Business Loan Program

Small business owners in the following designated states are currently eligible to apply for a low-interest loan due to



**Coronavirus (COVID-19):**

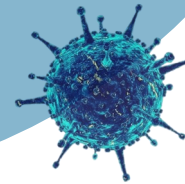
*Georgia is a designated state.*

The SBA will work directly with state Governors to provide targeted, low-interest loans to small businesses and non-profits that have been severely impacted by the Coronavirus (COVID-19).

The SBA's Economic Injury Disaster Loan program provides small businesses with working capital loans of up to \$2 million that can provide vital economic support to small businesses to help overcome the temporary loss of revenue they are experiencing. ***(Next page provides additional details.)***

### **SBA Emergency Loans**

**Georgia is among the first states authorized to apply for these loans.**



## **Details on Economic Injury Disaster Small Business Loan Program**

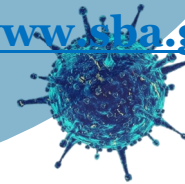
**Economic Injury Disaster Loans: EIDLs offer up to \$2 million in assistance, which can be used to help overcome temporary loss in revenue caused by COVID-19.**



- The loans may be used to pay fixed debts, payroll, accounts payable and other bills that can't be paid due to this disaster. The interest rate for a small business is 3.75% and 2.75% for non-profits. The term of an SBA loan is up to 30 years, and these terms are determined on a case-by-case basis.
- It takes an average of 2 weeks to apply and get approved for the loan, plus 5 days for closing and first payment. Once approved, EIDL recipients can defer payment on the loan for up to 12 months. The CARES Act eliminates creditworthiness requirements and appropriates an additional \$10 billion to the EIDL program in order to extend to eligible non-profits.

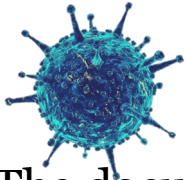
**Please see link below:**

**[U.S. Small Business Administration website: https://www.sba.gov/page/coronavirus-covid-19-small-business-guidance-loan-resources.](https://www.sba.gov/page/coronavirus-covid-19-small-business-guidance-loan-resources)**

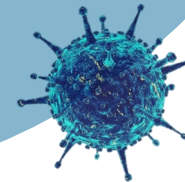


# Economic Injury Disaster Small Business Loan Program

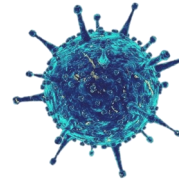
*Georgia applicants are encouraged to apply for a disaster loan at  
[www.sba.gov/disaster](http://www.sba.gov/disaster)*



- The documents necessary to apply for a loan include:
  1. **The SBA Business Disaster Loan Application**
  2. **Your business's most recent year's tax return**
  3. **An executed IRS Form 4506-T (which gives SBA the authority to collect tax transcripts from the IRS)**
  4. **Personal financial statements and schedule of liabilities**
- Once a business applies, they'll be assigned an SBA counselor that can assist them with any questions they may have.
- Once a business is approved, they are permitted to defer payments on that loan for up to 12 months. Small businesses can address their application needs/concerns on SBA's website. However, if a small business doesn't have internet access, SBA district offices can assist with providing paper copies of applications. –**Contact @ 470.891.5576**



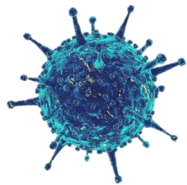
## SBA Debt Relief



The SBA Debt Relief program will provide a reprieve to small businesses as they overcome the challenges created by this health crisis.

Under this program:

- The SBA will also pay the 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 Loans

**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 with less paperwork. These loans can provide vital economic support to small businesses to help overcome the temporary loss of revenue they are experiencing and can be 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 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**

**Find an Express Bridge Loan Lender** by connecting with your **local SBA District Office** — <https://www.sba.gov/content/find-local-sba-office>

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# Paycheck Protection Program

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.

The Paycheck Protection Program will be available through June 30, 2020.

## Do I Qualify?

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 at the store and location level if the store employs less than 500 workers. This means each store location could be eligible.

## How do I apply:

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. 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.



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Lenders may begin processing loan applications as soon as April 3, 2020.



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**COUNSELING AND TRAINING**

\$275 Million for SBA's Resource Partners and the Minority Business Development Agency to provide vital mentorship, guidance, and expertise to small business owners and entrepreneurs impacted by COVID-19.

<b>AMOUNT</b>	<b>\$275 MILLION</b>		
<b>HOW WILL GRANTS BE USED?</b>	SBA's Resource Partners – Small Business Development Centers (SBDCs) and Women's Business Centers (WBCs) –and the Minority Business Development Centers (MBDCs) will be able to expand their reach and better support small business owners with COVID-19 concerns.		
<b>WHAT SPECIFIC TOPICS WILL BE COVERED?</b>	<ul style="list-style-type: none"> <li>Provides Assistance with Loan Application Process</li> <li>Access risks and prevention of COVID-19</li> <li>Handle supply chain disruptions</li> <li>Telework</li> <li>Protect against cyberthreats</li> <li>Handle less travel and foot traffic</li> <li>Any other COVID-19 concerns</li> </ul>		
<b>WHERE CAN I FIND A RESOURCE PARTNER NEAR ME?</b>	Small Business Development Centers <b>HERE</b>	Women's Business Centers <b>HERE</b>	Minority Business Development Centers <b>HERE</b>

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**The Coronavirus Aid, Relief and Economic Security Act, CARES Act for Small Businesses**

The CARES Act tasks the Small Business Administration with overseeing the distribution of millions of dollars in loans and grants to help small businesses survive the pandemic. It also provides additional funding for SBA's Resource Partners to provide advice and training to help small businesses respond to the unprecedented challenges in communities throughout the country.

**Paycheck Protection Program**



**What is the Paycheck Protection Program (PPP)?**

A new \$350 billion loan program at SBA for small businesses, self-employed, and gig workers to help them from going under due to the COVID-19 pandemic. If employers maintain payroll, the loans would be forgiven.

**Who is Eligible?**

- Any business concern, nonprofit organization, veteran's organization, or Tribal business concern that employs no more than 500 employees (or the size standard in number of employees established by the Administration for the industry in which such business operates)
- Sole proprietors
- Independent contractors
- Self-employed individuals

**How Does the Process Work?**

All current 7(a) lenders are eligible lenders. Plus, the Department of Treasury will authorize new lenders to help expedite the processing and delivery of capital to small businesses.

**How Can I Apply?**

SBA's Lender Match Portal.

Interested borrowers are also encouraged to inquire with a local 7(a) lender regarding whether they are participating in the PPP.

**How Much?**

The 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 Can I Use It?**

- 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

**Why a PPP Loan?**

- 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.

**EIDL Grants**



**What is an Economic Injury Disaster Loan (EIDL)?**

A low-interest, fixed rate loan that can provide up to \$2 million in assistance for small businesses that can be used to pay immediate expenses during an emergency.

**What is an EIDL Grant?**

The CARES Act creates a new \$10 billion grant program, leveraging SBA's Office of Disaster Assistance Infrastructure, to provide small businesses with quick, much-needed capital.

**Who is Eligible?**

- Private nonprofit organizations, small agricultural cooperatives
- Businesses, cooperatives; ESOPs; and tribal business concerns with 500 or fewer employees
- Independent contractors
- Sole proprietors (whether or not self-employed)

**How does the process work?**

- Eligible applicants who apply for an EIDL may request up to \$10,000 be immediately disbursed. The amount need not be repaid, regardless of the loan decision.
- EIDL borrowers may apply for the Paycheck Protection Program, but when determining loan forgiveness, the advance EIDL grant is taken into consideration.

**How can I apply?**

There are a couple of ways to apply. The SBA has an online portal where small businesses can upload documents and apply for a loan, or they can download the PDF on the agency's website and mail the forms.

**How Much?**

A million small businesses are eligible to receive up to \$10,000.

**How long will the process take?**

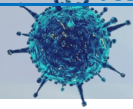
The legislation requires SBA to disburse the funds within three days of receiving the application.

**How Can it be Used?**

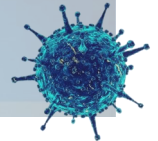
- Any allowable purpose under the EIDL program
- Provide paid sick leave, maintain payroll, and meet increased costs
- Make rent or mortgage payments, and repaying unmet obligations.

## QUICK REFERENCE LINKS TO ASSIST YOU THROUGH THE PROCESS

- [https://www.uschamber.com/sites/default/files/023595\\_comm\\_corona\\_virus\\_smallbiz\\_loan\\_final.pdf](https://www.uschamber.com/sites/default/files/023595_comm_corona_virus_smallbiz_loan_final.pdf)
- <https://www.georgiasbdc.org/response-and-recovery/>
- <https://www.georgiasbdc.org/sba-economic-injury-disaster-loan/>
- <https://ulgatl.org/coronavirus-programs-and-staff-info/>
- <https://www.atlantabusinessleague.org/>



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### ADDITIONAL INFORMATION:

- The [Coronavirus Emergency Loans Small Business Guide and Checklist](#) takes a small business step-by-step through the process of preparing to file for a loan.
- This [interactive map](#) shows how much aid is available under the Small Business Paycheck Protection Program to help small businesses in your state.
- The Chamber's [web tracker](#) shows how businesses of all sizes are stepping up efforts to combat this pandemic.

## SBA Products and Resources

SBA is here to assist small businesses with accessing federal resources and navigating their own preparedness plans as described by the CDC GUIDANCE FOR BUSINESSES: <https://www.cdc.gov/coronavirus/2019-ncov/community/organizations/businesses-employers.html>

SBA works with a number of local partners to counsel, mentor and train small businesses. The SBA has 68 District Offices, as well as support provided by its Resource Partners, such as SCORE offices, Women's Business Centers, Small Business Development Centers and Veterans Business Outreach Centers. When faced with a business need, use the <https://www.sba.gov/local-assistanc> to locate the office nearest you.

