

WHATS AVAILABLE NOW?

There continue to be many inquires/questions related to the SBA assistance and the COVID-19 pandemic. I understand for many it doesn't feel like you have the guidance from SBA to take action at this point. The fact is that we (SBA Montana District Office) are also awaiting guidance on this. Once the bill passed it went to SBA to develop that guidance. The bill provides for 15 and 30 day timelines for guidance development on different sections of the Act, although we are not anticipating that long a timeline at this point. As soon as we have guidance on implementation/training/etc. we will get it out right away (based on my calls with SBA HQ yesterday, I am anticipating we will have something this week). As a follow-up to the below update from last week, I wanted to provide some additional information which may be helpful:

ECONOMIC INJURY DISASTER LOANS:

Two SBA emergency capital programs are available today and more will be coming soon:

1. Low interest, long term Economic Injury Disaster Loans for up to \$2 million: The first payment is deferred for 12 months. The application has been simplified and can be completed 100% online through our improved web portal at www.sba.gov/disaster.
2. Economic Injury Disaster Loan Advance for up to \$10,000: The form to apply is part of the economic injury disaster loan application. If approved, these funds can be used for payroll and other operating expenses and will be forgiven.

These loans may be used to pay fixed debts, payroll, accounts payable and other bills that can't be paid because of the disaster's impact. The interest rate is 3.75% for small businesses. The interest rate for non-profits is 2.75%.

The website has received a number of upgrades and reports today are it is performing much better. Also, the application portal has been updated.

PAYCHECK PROTECTION PROGRAM

<https://www.sba.gov/funding-programs/loans/paycheck-protection-program>

Now that the bill has passed it goes to the SBA for development of guidance/implementation procedures which was worked on over the weekend and continues to progress. It is anticipated that later this week (hopefully on Friday, but the SBA has 15 days to develop guidance on much of this) the SBA and Treasury Department will launch the new Paycheck Protection Program to help keep employees on payroll and small businesses operating. Additional information about this program will be shared in the coming days.

Paycheck Protection Program (PPP) Loans (below is a copy/paste) from the U.S. Senate Committee on Small Business & Entrepreneurship)

*The program would provide cash-flow assistance through 100 percent federally guaranteed loans to employers who maintain their payroll during this emergency. If employers maintain their payroll, the loans would be forgiven, which would help workers remain employed, as well as help affected small businesses and our economy snap-back quicker after the crisis. PPP has a host of attractive features, such as forgiveness of up to 8 weeks of payroll based on employee retention and salary levels, no SBA fees, and at least six months of deferral with maximum deferrals of up to a year. Small businesses and other eligible entities will be able to apply if they were harmed by COVID-19 between February 15, 2020 and June 30, 2020. This program would be retroactive to February 15, 2020, in order to help bring workers who may have already been laid off back onto payrolls. **Loans are available through June 30, 2020.***

Again, as soon as we have additional information/guidance we will be providing right away.

Thanks!

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