GREATER FORT LAUDERDALE CHAMBER OF COMMERCE

CORONAVIRUS

RESOURCES & INSIGHTS

GUIDANCE FOR BUSINESSES & EMPLOYEES

ftlchamber.com/covid19

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MESSAGE FROM OUR CHAMBER PRESIDENT

Dear Valued Members and Investors,

The Greater Fort Lauderdale Chamber of Commerce is working on behalf of our business community at this difficult time. We are in contact with congressional, state, and local leadership on a daily basis to make sure our business owners' concerns are being heard.

Our Chamber encourages all small business owners to review your options regarding state and federal assistance in order to keep your organization running and your staff employed as long as possible. Please use us as a go-to resource for the latest business information. Members of our Chamber staff have been in contact with many of our members. We are your advocate, so please email us at info@ftlchamber.com and we will work to direct your question and/or concerns to the appropriate party.

We also understand that employees are hurting right now. If you or someone you know is furloughed or looking for work, we have included information on potential assistance.

For the latest information, please log on to www.ftlchamber.com/covid19 where resources are being updated each day. For up-to-the-minute business-related information, follow our Chamber on Facebook, Instagram, Twitter and LinkedIn. If you have an urgent question, Broward County has set up a hotline at (954) 357-9500. The call center will accept phone calls from 8 a.m. to 8 p.m. seven days a week.

Thank you for investing in your Chamber and know that we are here to assist in your organization's greatest time of need.

Sincerely,

Dan Lindblade, CAE
President & CEO, GFLCC

SMALL BUSINESS GUIDANCE & LOAN RESOURCES

Coronavirus (COVID-19) has left society in a difficult balancing act - addressing a public health crisis while ensuring that extraordinary measures don't harm businesses and the daily commerce that is essential to maintaining our way of life.

Our Chamber has developed this guide to help businesses identify those government programs that best fit their current needs. As an organization representing South Florida's business community, we support a united, comprehensive effort to combat the spread of the deadly disease. We also acknowledge our region's workforce and the available programs that can help provide paychecks during these uncertain times.

FEDERAL ASSISTANCE

- Paycheck Protection Program

  Part of the new CARES stimulus package, you can receive 2.5 times your average monthly payroll at a 4% fixed rate and a 10-year term. Applications accepted starting April 3, 2020.

- Economic Injury Disaster Loan

  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.

  The SBA Economic Injury Disaster 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. The loan advance will provide economic relief to businesses that are currently experiencing a temporary loss of revenue. funds will be made available within three days of a successful application, and this loan advance will not have to be repaid. Click here to apply.

- Express Bridge Loans

  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 help overcome the temporary loss of revenue and bridge the gap while applying for a direct SBA Economic Injury Disaster loan.

  Find an Express Bridge Loan Lender by connecting with the SBA South Florida District Office.

SMALL BUSINESS GUIDANCE & LOAN RESOURCES

STATE ASSISTANCE

- Florida Small Business Emergency Bridge Loan

  Governor DeSantis has activated this program providing short-term, interest free loans of up to $50,000 to small businesses impacted by COVID-19.

Business owners in Florida with two to 100 employees are eligible. The application period ends May 8, 2020. For more information, click here or call the Florida Small Business Development Center Network at 866-737-7232.

- Florida Short Time Compensation Program for Employees

  The Florida Department of Economic Opportunity (DEO) offers the Short Time Compensation Program, designed to help employers maintain their staff by reducing the weekly working hours during temporary slowdowns instead of temporarily laying off employees. For information on qualifications and how to apply, click here.

- Business Damage Assessment Survey

  Businesses adversely impacted by COVID-19 are encouraged to complete the Emergency Business Damage Assessment Survey here.

  Information submitted by businesses will help the State of Florida determine the type and level of resources needed to continue to help impacted businesses. The survey does NOT serve as an application for resources.

EXTENDED TAX DEADLINES

The U.S. Treasury and IRS announced that the federal income tax filing due date is automatically extended from April 15, 2020, to July 15, 2020. Taxpayers can also defer federal income tax payments due on April 15, 2020, to July 15, 2020, without penalties and interest, regardless of the amount owed.

Corporate filings with the State of Florida have been postponed until June 30, 2020. A $400 late fee would apply on July 1, 2020.

Prepared by the **U.S. CHAMBER OF COMMERCE**

CORONAVIRUS EMERGENCY LOANS

Small Business Guide and Checklist

Updated: April 1, 2020

The Coronavirus Aid, Relief, and Economic Security (CARES) Act allocated $350 billion to help small businesses keep workers employed amid the pandemic and economic downturn. Known as the Paycheck Protection Program (PPP), the initiative provides 100% federally guaranteed loans to small businesses.

Importantly, these loans may be forgiven if borrowers maintain their payrolls during the crisis or restore their payrolls afterward.

The administration has released initial guidelines; they are available at **www.treasury.gov**. The U.S. Chamber of Commerce has issued this guide to help small businesses and self-employed individuals check eligibility and prepare to file for a loan.

Small businesses and sole proprietors can begin applying on April 3. Independent contractors and self-employed individuals can apply beginning on April 10.

Here are the questions you may be asking—and what you need to know.

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.

While the program is open until June 30, 2020, the government is advising borrowers to **apply as soon as possible** given the loan cap on the program.

1 Am I ELIGIBLE?

You are eligible if you are:

- A small business with fewer than 500 employees
- A small business that otherwise meets the SBA's size standard
- A 501(c)(3) with fewer than 500 employees
- An individual who operates as a sole proprietor
- An individual who operates as an independent contractor
- An individual who is self-employed who regularly carries on any trade or business
- A Tribal business concern that meets the SBA size standard
- A 501(c)(19) Veterans Organization that meets the SBA size standard

In addition, some special rules may make you eligible:

- If you are in the accommodation and food services sector (NAICS 72), the 500-employee rule is applied on a per physical location basis
- If you are operating as a franchise or receive financial assistance from an approved Small Business Investment Company the normal affiliation rules do not apply

REMEMBER: The 500-employee threshold includes all employees: full-time, part-time, and any other status.

2 What will lenders be LOOKING FOR?

Borrowers will need to complete the Paycheck Protection Loan Application (which is available **HERE**) and payroll documentation

Lenders will also ask you for a good faith certification that:

1. The uncertainty of current economic conditions makes the loan request necessary to support ongoing operations
2. The borrower will use the loan proceeds to retain workers and maintain payroll or make mortgage, lease, and utility payments
3. Borrower does not have an application pending for a loan duplicative of the purpose and amounts applied for here
4. From Feb. 15, 2020 to Dec. 31, 2020, the borrower has not received a loan duplicative of the purpose and amounts applied for here (Note: There is an opportunity to fold emergency loans made between Jan. 31, 2020 and the date this loan program becomes available into a new loan)

If you are an independent contractor, sole proprietor, or self-employed individual, lenders will also be looking for certain documents (final requirements will be announced by the government) such as payroll tax filings, Forms 1099-MISC, and income and expenses from the sole proprietorship.

What lenders will NOT LOOK FOR

- That the borrower sought and was unable to obtain credit elsewhere.
- A personal guarantee is not required for the loan.
- No collateral is required for the loan.

3 How much can I BORROW?

Loans can be up to 2.5 x the borrower's average monthly payroll costs, not to exceed **$10 million**.

How do I calculate my average monthly PAYROLL COSTS?

sum of **INCLUDED** payroll costs **–** sum of **EXCLUDED** payroll costs **=** **PAYROLL COSTS**

INCLUDED Payroll Cost:

1. **For Employers:** The sum of payments of any compensation with respect to employees that is a:
   - salary, wage, commission, or similar compensation;
   - payment of cash tip or equivalent;
   - payment for vacation, parental, family, medical, or sick leave
   - allowance for dismissal or separation
   - payment required for the provisions of group health care benefits, including insurance premiums
   - payment of any retirement benefit
   - payment of state or local tax assessed on the compensation of the employee
2. **For Sole Proprietors, Independent Contractors, and Self-Employed Individuals:** The sum of payments of any compensation to or income of a sole proprietor or independent contractor that is a wage, commission, income, net earnings from self-employment, or similar compensation and that is in an amount that is not more than $100,000 in one year, as pro-rated for the covered period.

EXCLUDED Payroll Cost:

1. Compensation of an individual employee in excess of an annual salary of $100,000, as prorated for the period February 15, to June 30, 2020
2. Payroll taxes, railroad retirement taxes, and income taxes
3. Any compensation of an employee whose principal place of residence is outside of the United States
4. Qualified sick leave wages for which a credit is allowed under section 7001 of the Families First Coronavirus Response Act (Public Law 116–5 127); or qualified family leave wages for which a credit is allowed under section 7003 of the Families First Coronavirus Response Act

NON SEASONAL EMPLOYERS:

Maximum loan =

2.5 X Average total monthly payroll costs incurred during the year prior to the loan date

For businesses not operational in 2019:

2.5 X Average total monthly payroll costs incurred for January and February 2020

SEASONAL EMPLOYERS:

Maximum loan =

2.5 X Average total monthly payments for payroll costs for the 12-week period beginning February 15, 2019 *or* March 1, 2019 (decided by the loan recipient) and ending June 30, 2019

- **Payments deferred for six months**
- **0.50% fixed interest rate**
- **Loan is due in two years**

4 Will this loan be FORGIVEN?

Borrowers are eligible to have their loans forgiven.

How Much?

A borrower is eligible for loan forgiveness equal to the amount the borrower spent on the following items during the 8-week period beginning on the date of the origination of the loan:

- Payroll costs (using the same definition of payroll costs used to determine loan eligibility)
- Interest on the mortgage obligation incurred in the ordinary course of business
- Rent on a leasing agreement
- Payments on utilities (electricity, gas, water, transportation, telephone, or internet)
- For borrowers with tipped employees, additional wages paid to those employees

NOTE: The government is now advising that because of high participation, it is anticipated that not more than 25% of the forgiven amount may be for non-payroll costs. The loan forgiveness cannot exceed the principal.

How could the forgiveness be reduced?

The amount of loan forgiveness calculated above is reduced if there is a reduction in the number of employees or a reduction of greater than 25% in wages paid to employees. Specifically:

Reduction based on reduction of number of employees

PAYROLL COST Calculated on page 2

X

Average Number of Full-Time Equivalent Employees (FTEs) Per Month for the 8-Weeks Beginning on Loan Origination

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Option 1: Average number of FTEs per month from February 15, 2019 to June 30, 2019

Option 2: Average number of FTEs per month from January 1, 2020 to February 29, 2020

For Seasonal Employers: Average number of FTEs per month from February 15, 2019 to June 30, 2019

Reduction based on reduction in salaries

PAYROLL COST Calculated on page 2

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For any employee who did not earn during any pay period in 2019 wages at an annualized rate more than $100,000, the amount of any reduction in wages that is greater than 25% compared to their most recent full quarter.

What if I bring back employees or restore wages?

Reductions in employment or wages that occur between February 15, 2020 and April 26, 2020 (as compared to February 15, 2020) shall not reduce the amount of loan forgiveness **IF** by June 30, 2020 the borrower eliminates the reduction in employees or reduction in wages.

WHAT'S NEXT?

Look out for more information about eligible lenders and additional guidance from the SBA soon.

For more guidance and resources for small businesses, visit **uschamber.com/co**

Private lenders will ultimately issue PPP loans based on guidance from the SBA and Treasury Department. More information, including from lenders, should be available once the guidance is issued.

Paycheck Protection Program Document Checklist

While waiting for the Small Business Administration to provide specific details on the Paycheck Protection Program you can begin to gather information for your loan application. Many lenders believe that the following information may be required:

- ❑ 2019 IRS Quarterly 940, 941 or 944 payroll tax reports
- ❑ Payroll reports for a twelve-month period (ending on your most recent payroll date), which will show the following information:
  - ❑ Gross wages for each employee, including officer(s) if paid W-2 wages.
  - ❑ Paid time off for each employee
  - ❑ Vacation pay for each employee
  - ❑ Family medical leave pay for each employee
  - ❑ State and local taxes assessed on an employee's compensation
- ❑ 1099s for independent contractors for 2019
- ❑ Documentation showing total of all health insurance premiums paid by the company owner(s) under a group health plan.
  - Include all employees and the company owners
- ❑ Document the sum of all retirement plan funding that was paid by the company owner(s) (do not include funding that came from employees out of their paycheck deferrals).
  - Include all employees and the company owners
  - Include 401K plans, Simple IRA, SEP IRA's

THE CHAMBER ADVISES ALL BUSINESS OWNERS TO WORK WITH THEIR CURRENT LENDER, IF SEEKING TO APPLY FOR A PPP LOAN. FOR A LIST OF CURRENT SBA LENDERS, CLICK HERE. PLEASE BE AWARE, YOUR LENDER CAN STILL HELP WITH YOUR APPLICATION, EVEN IF THEY ARE NOT ON THE LENDERS LIST WE HAVE INCLUDED.

Paycheck Protection Program
Application Form

OMB Control No.: 3245-0407
Expiration Date: 09/30/2020

Non-Profit ☐ Vet Org ☐ Tribal ☐ Ind. Cont. ☐ Self Employed ☐	DBA or Tradename if applicable	
Business Legal Name		
Business Primary Address	**Business TIN (EIN,SSN)**	**Business Phone**
		( ) -
	Primary Contact	**Email Address**

Average Monthly Payroll:	$	X 2.5 equals Loan Amount:	$	Number of Jobs:	
Purpose of the loan (select more than one):	☐Payroll ☐Rent / Mortgage Interest ☐Utilities ☐Other (explain):				

Applicant Ownership

List all owners of Applicant with greater than 20% ownership stakes. Attach a separate sheet if necessary.

Owner Name	Title	Ownership %	TIN (EIN,SSN)	Address

If questions (1) or (2) below are answered "Yes," the loan will not be approved.

	Question	Yes	No
1.	Is the Business or any owner presently suspended, debarred, proposed for debarment, declared ineligible, voluntarily excluded from participation in this transaction by any Federal department or agency, or presently involved in any bankruptcy?	☐	☐
2.	Has the Business, any of its owners, or any business owned or controlled by any of them, ever obtained a direct or guaranteed loan from SBA or any other Federal agency that is currently delinquent or has defaulted in the last 7 years and caused a loss to the government?	☐	☐
3.	Is the Business or any owner an owner of any other business or have common management with any other business? If yes, attach a listing of all Affiliates and describe the relationship as addendum A.	☐	☐
4.	Has the Business received an SBA Economic Injury Disaster Loan between January 31, 2020 and April 3, 2020? If yes, provide details on a separate sheet identified as addendum B.	☐	☐

Applicants who are individuals and all 20% or greater owners of the business must answer the following questions. If questions (5) or (6) are answered "Yes" or question (7) is answered "No", the loan will not be approved.

	Question	Yes	No
5.	Are you presently subject to an indictment, criminal information, arraignment, or other means by which formal criminal charges are brought in any jurisdiction, or presently incarcerated, on probation or parole?	☐	☐
	Initial here to confirm your response to question 5 →	_____	
6.	Within the last 7 years, for any felony or misdemeanor for a crime against a minor, have you: 1) been convicted; 2) pleaded guilty; 3) pleaded nolo contendere; 4) been placed on pretrial diversion; or 5) been placed on any form of parole or probation (including probation before judgment)?	☐	☐
	Initial here to confirm your response to question 6 →	_____	
7.	☐ I am a U.S. Citizen OR ☐ I have Lawful Permanent Resident status ☐ No		
	Initial here to confirm your response to question 7 →	_____	

By Signing Below, You Make the Following Representations, Authorizations, and Certifications

REPRESENTATIONS AND AUTHORIZATIONS

I represent that:

- I have read the Statements Required by Law and Executive Order included in this form, and I understand them.
- I will comply, whenever applicable, with the civil rights and other limitations in this form.
- All SBA loan proceeds will be used only for business related purposes as specified in the loan application.
- To the extent feasible, I will purchase only American-made equipment and products.
- The Applicant is not engaged in any activity that is illegal under federal, state or local law.

For Applicants who are individuals and all Associates: I authorize the SBA to request criminal record information about me from criminal justice agencies for the purpose of determining my eligibility for programs authorized by the Small Business Act, as amended.

CERTIFICATIONS

The Business and each 20% or greater owner must certify in good faith to all of the below by **initialing** next to each one:

_____ Current economic uncertainty makes this loan request necessary to support the ongoing operations of the Applicant.

_____ The funds will be used to retain workers and maintain payroll or make mortgage payments, lease payments, and utility payments; I understand that if the funds are used for unauthorized purposes, the federal government may pursue criminal fraud charges.

_____ Documentation verifying the number of full-time equivalent employees on payroll as well as the dollar amounts of payroll costs, covered mortgage interest payments, covered rent payments, and covered utilities for the eight week period following this loan will be provided to the lender.

_____ Loan forgiveness will be provided for the sum of documented payroll costs, covered mortgage interest payments, covered rent payments, and covered utilities. Due to likely high subscription, it is anticipated that not more than twenty-five percent (25%) of the forgiven amount may be for non-payroll costs.

_____ During the period beginning on February 15, 2020 and ending on December 31, 2020, the Applicant has not and will not receive another loan under this program.

_____ I further certify that the information provided in this application and the information that I have provided in all supporting documents and forms is true and accurate. I realize that knowingly making a false statement to obtain a guaranteed loan from SBA is punishable under 18 USC 1001 and 3571 by imprisonment of not more than five years and/or a fine of up to $250,000; under 15 USC 645 by imprisonment of not more than two years and/or a fine of not more than $5,000; and, if submitted to a Federally insured institution, under 18 USC 1014 by imprisonment of not more than thirty years and/or a fine of not more than $1,000,000.

_____ I acknowledge that the lender will calculate the eligible loan amount using tax documents I have submitted. I affirm that these tax documents are identical to those I submitted to the IRS. I also understand, acknowledge and agree that the Lender can share the tax information with SBA's authorized representatives, including authorized representatives of the SBA Office of Inspector General, for the purpose of compliance with SBA Loan Program Requirements and all SBA reviews.

_____ _____
Signature of Authorized Representative of Business Date

_____ _____
Print Name Title

_____ _____
Signature of Owner of Applicant Business Date

_____ _____
Print Name Title

Paycheck Protection Program
Application Form

OMB Control No.: 3245-0407
Expiration Date: 09/30/2020

Purpose of this form:
This form is to be completed by the Applicant and all individuals identified below and ***submitted to your SBA Participating Lender***. Submission of the requested information is required to make a determination regarding eligibility for financial assistance. Failure to submit the information would affect that determination.

Instructions for completing this form:

For purposes of calculating "Average Monthly Payroll", most Applicants will use the average monthly payroll for 2019, excluding costs over $100,000 on an annualized basis for each employee. For seasonal businesses, the Applicant may elect to instead use average monthly payroll for the time period between February 15, 2019 and June 30, 2019, excluding costs over $100,000 on an annualized basis for each employee. For new businesses, average monthly payroll may be calculated using the time period from January 1, 2020 to February 29, 2020, excluding costs over $100,000 on an annualized basis for each employee.

The first section and questions 1-4 request information about the Business. Questions 5-7 are to be completed, signed and dated by each applicant who is an Individual as well as each 20% or greater owner of an Applicant Business. All parties listed below are considered owners of the Applicant Business as defined in 13 CFR § 120.10, as well as "principals."

- For a sole proprietorship, the sole proprietor;
- For a partnership, all general partners, and all limited partners owning 20% or more of the equity of the firm;
- For a corporation, all owners of 20% or more of the corporation;
- For limited liability companies, all members owning 20% or more of the company; and
- Any Trustor (if the Applicant is owned by a trust).

Paperwork Reduction Act – You are not required to respond to this collection of information unless it displays a currently valid OMB Control Number. The estimated time for completing this application, including gathering data needed, is 8 minutes. Comments about this time or the information requested should be sent to : Small Business Administration, Director, Records Management Division, 409 3rd St., SW, Washington DC 20416., and/or SBA Desk Officer, Office of Management and Budget, New Executive Office Building, Washington DC 20503.

Privacy Act (5 U.S.C. 552a) – Under the provisions of the Privacy Act, you are not required to provide your social security number. Failure to provide your social security number may not affect any right, benefit or privilege to which you are entitled. (But see Debt Collection Notice regarding taxpayer identification number below). Disclosures of name and other personal identifiers are required to provide SBA with sufficient information to make a character determination. When evaluating character, SBA considers the person's integrity, candor, and disposition toward criminal actions. Additionally, SBA is specifically authorized to verify your criminal history, or lack thereof, pursuant to section 7(a)(1)(B), 15 USC Section 636(a)(1)(B) of the Small Business Act (the Act).

Disclosure of Information: Requests for information about another party may be denied unless SBA has the written permission of the individual to release the information to the requestor or unless the information is subject to disclosure under the Freedom of Information Act. The Privacy Act authorizes SBA to make certain "routine uses" of information protected by that Act. One such routine use is the disclosure of information maintained in SBA's system of records when this information indicates a violation or potential violation of law, whether civil, criminal, or administrative in nature. Specifically, SBA may refer the information to the appropriate agency, whether Federal, State, local or foreign, charged with responsibility for, or otherwise involved in investigation, prosecution, enforcement or prevention of such violations. Another routine use is disclosure to other Federal agencies conducting background checks but only to the extent the information is relevant to the requesting agencies' function. See, 74 F.R. 14890 (2009), and as amended from time to time for additional background and other routine uses. In addition, the CARES Act, requires SBA to register every loan made under the Paycheck Protection Act using the Taxpayer Identification Number (TIN) assigned to the borrower.

Debt Collection Act of 1982, Deficit Reduction Act of 1984 (31 U.S.C. 3701 et seq. and other titles) – SBA must obtain your taxpayer identification number when you apply for a loan. If you receive a loan, and do not make payments as they come due, SBA may: (1) report the status of your loan(s) to credit bureaus, (2) hire a collection agency to collect your loan, (3) offset your income tax refund or other amounts due to you from the Federal Government, (4) suspend or debar you or your company from doing business with the Federal Government, (5) refer your loan to the Department of Justice, or (6) foreclose on collateral or take other action permitted in the loan instruments.

Right to Financial Privacy Act of 1978 (12 U.S.C. 3401) – The Right to Financial Privacy Act of 1978, grants SBA access rights to financial records held by financial institutions that are or have been doing business with you or your business including any financial institutions participating in a loan or loan guaranty. SBA is only required provide a certificate of its compliance with the Act to a financial institution in connection with its first request for access to your financial records. SBA's access rights continue for the term of any approved loan guaranty agreement. SBA is also authorized to transfer to another Government authority any financial records concerning an approved loan or loan guarantee, as necessary to process, service or foreclose on a loan guaranty or collect on a defaulted loan guaranty.

Freedom of Information Act (5 U.S.C. 552) – Subject to certain exceptions, SBA must supply information reflected in agency files and records to a person requesting it. Information about approved loans that will be automatically released includes, among other things, statistics on our loan programs (individual borrowers are not identified in the statistics) and other information such as the names of the borrowers (and their officers, directors, stockholders or partners), the collateral pledged to secure the loan, the amount of the loan, its purpose in general terms and the maturity. Proprietary data on a borrower would not routinely be made available to third parties. All requests under this Act are to be addressed to the nearest SBA office and be identified as a Freedom of Information request.

Occupational Safety and Health Act (15 U.S.C. 651 et seq.) – The Occupational Safety and Health Administration (OSHA) can require businesses to modify facilities and procedures to protect employees. Businesses that do not comply may be fined, forced to cease operations, or prevented from starting operations. Signing this form is certification that the applicant, to the best of its knowledge, is in compliance with the applicable OSHA requirements, and will remain in compliance during the life of the loan.

Civil Rights(13 C.F.R. 112, 113, 117) – All businesses receiving SBA financial assistance must agree not to discriminate in any business practice, including employment practices and services to the public on the basis of categories cited in 13 C.F.R., Parts 112, 113, and 117 of SBA Regulations. All borrowers must display the "Equal Employment Opportunity Poster" prescribed by SBA.

Equal Credit Opportunity Act (15 U.S.C. 1691) – Creditors are prohibited from discriminating against credit applicants on the basis of race, color, religion, national origin, sex, marital status or age (provided the applicant has the capacity to enter into a binding contract); because all or part of the applicant's income derives from any public assistance program; or because the applicant has in good faith exercised any right under the Consumer Credit Protection Act.

Debarment and Suspension Executive Order 12549; (2 CFR Part 180 and Part 2700) – By submitting this loan application, you certify that neither you nor any Associates have within the past three years been: (a) debarred, suspended, declared ineligible or voluntarily excluded from participation in a transaction by any Federal Agency; (b) formally proposed for debarment, with a final determination still pending; (c) indicted, convicted, or had a civil judgment rendered against you for any of the offenses listed in the regulations or (d) delinquent on any amounts owed to the U.S. Government or its instrumentalities as of the date of execution of this certification.

U.S. SENATE COMMITTEE ON
SMALL BUSINESS
& ENTREPRENEURSHIP

Paycheck Protection Program FAQs for Small Businesses

Where can I apply for the Paycheck Protection Program?

You can apply for the Paycheck Protection Program (PPP) at any lending institution that is approved to participate in the program through the existing U.S. Small Business Administration (SBA) 7(a) lending program and additional lenders approved by the Department of Treasury. This could be the bank you already use, or a nearby bank. There are thousands of banks that already participate in the SBA's lending programs, including numerous community banks. You do not have to visit any government institution to apply for the program. You can call your bank or find SBA-approved lenders in your area through SBA's online Lender Match tool. You can call your local Small Business Development Center or Women's Business Center and they will provide free assistance and guide you to lenders.

Who is eligible for the loan?

You are eligible for a loan if you are a small business that employs 500 employees or fewer, or if your business is in an industry that has an *employee*-based size standard through SBA that is higher than 500 employees. In addition, if you are a restaurant, hotel, or a business that falls within the North American Industry Classification System (NAICS) code 72, "Accommodation and Food Services," and each of your locations has 500 employees or fewer, you are eligible. Tribal businesses, 501(c)(19) veteran organizations, and 501(c)(3) nonprofits, including religious organizations, will be eligible for the program. Nonprofit organizations are subject to SBA's affiliation standards. Independently owned franchises with under 500 employees, who are approved by SBA, are also eligible. Eligible franchises can be found through SBA's Franchise Directory.

I am an independent contractor or gig economy worker, am I eligible?

Yes. Sole proprietors, independent contractors, gig economy workers, and self-employed individuals are all eligible for the Paycheck Protection Program.

What is the maximum amount I can borrow?

The amount any small business is eligible to borrow is 250 percent of their average monthly payroll expenses, up to a total of $10 million. This amount is intended to cover 8 weeks of payroll expenses and any additional amounts for making payments towards debt obligations. This 8 week period may be applied to any time frame between February 15, 2020 and June 30, 2020. Seasonal business expenses will be measured using a 12-week period beginning February 15, 2019, or March 1, 2019, whichever the seasonal employer chooses.

How can I use the money such that the loan will be forgiven?

The amount of principal that may be forgiven is equal to the sum of expenses for payroll, and existing interest payments on mortgages, rent payments, leases, and utility service agreements. Payroll costs include employee salaries (up to an annual rate of pay of $100,000), hourly wages and cash tips, paid sick or medical leave, and group health insurance premiums. If you would like

to use the Paycheck Protection Program for other business-related expenses, like inventory, you can, but that portion of the loan will not be forgiven.

When is the loan forgiven?

The loan is forgiven at the end of the 8-week period after you take out the loan. Borrowers will work with lenders to verify covered expenses and the proper amount of forgiveness.

What is the covered period of the loan?

The covered period during which expenses can be forgiven extends from February 15, 2020 to June 30, 2020. Borrowers can choose which 8 weeks they want to count towards the covered period, which can start as early as February 15, 2020.

How much of my loan will be forgiven?

The purpose of the Paycheck Protection Program is to help you retain your employees, at their current base pay. If you keep all of your employees, the entirety of the loan will be forgiven. If you still lay off employees, the forgiveness will be reduced by the percent decrease in the number of employees. If your total payroll expenses on workers making less than $100,000 annually decreases by more than 25 percent, loan forgiveness will be reduced by the same amount. If you have already laid off some employees, you can still be forgiven for the full amount of your payroll cost if you rehire your employees by June 30, 2020.

Am I responsible for interest on the forgiven loan amount?

No, if the full principal of the PPP loan is forgiven, the borrower is not responsible for the interest accrued in the 8-week covered period. The remainder of the loan that is not forgiven will operate according to the loan terms agreed upon by you and the lender.

What are the interest rate and terms for the loan amount that is not forgiven?

The terms of the loan not forgiven may differ on a case-by-case basis. However, the maximum terms of the loan feature a 10-year term with interest capped at 4 percent and a 100 percent loan guarantee by the SBA. You will not have to pay any fees on the loan, and collateral requirements and personal guarantees are waived. Loan payments will be deferred for at least six months and up to one year starting at the origination of the loan.

When is the application deadline for the Paycheck Protection Program?

Applicants are eligible to apply for the PPP loan until June 30th, 2020.

I took out a bridge loan through my state, am I eligible to apply for the Paycheck Protection Program?

Yes, you can take out a state bridge loan and are still be eligible for the PPP loan.

If I have applied for, or received an Economic Injury Disaster Loan (EIDL) related to COVID-19 before the Paycheck Protection Program became available, will I be able to refinance into a PPP loan?

Yes. If you received an EIDL loan related to COVID-19 between January 31, 2020 and the date at which the PPP becomes available, you would be able to refinance the EIDL into the PPP for loan forgiveness purposes. However, you may not take out an EIDL and a PPP for the same purposes. Remaining portions of the EIDL, for purposes other than those laid out in loan forgiveness terms for a PPP loan, would remain a loan. If you took advantage of an emergency EIDL grant award of up to $10,000, that amount would be subtracted from the amount forgiven under PPP.

Prepared by the **U.S. CHAMBER OF COMMERCE**

GUIDE TO SBA'S ECONOMIC INJURY DISASTER LOANS

The Coronavirus Aid, Relief, and Economic Security (CARES) Act expands the Small Business Administration's long-standing Economic Injury Disaster Loan Program (EIDL). The EIDL program was created to assist businesses, renters, and homeowners located in regions affected by declared disasters.

Who is ELIGIBLE?

In general, all of the following entities that have suffered substantial economic injury caused by a disaster provided they were in existence on January 31, 2020:

- Businesses with fewer than 500 employees
- Cooperatives, ESOPs, and tribal small businesses with fewer than 500 employees
- Sole proprietors
- Independent contractors
- Most private nonprofits

What are the LOAN PARAMETERS?

- The maximum EIDL is a $2 million working capital loan at a rate of 3.75% for businesses and 2.75% for non-profits with up to a 30-year term
- Payments on Coronavirus EIDL loans are deferred for one year
- Up to $200,000 can be approved without a personal guarantee
- Approval can be based on a credit score and no first-year tax returns are required
- Borrowers do not have to prove they could not get credit elsewhere
- No collateral is required for loans of $25,000 or less. For loans of more than $25,000, general security interest in business assets will be used for collateral instead of real estate
- The borrowers must allow the SBA to review its tax records

How can I access an EMERGENCY $10,000 GRANT?

- Eligible applicants for an EIDL can receive a $10,000 emergency grant within three days of application (through Dec. 31)
- There is no obligation to repay the grant. To receive the $10,000 emergency grant, it is not necessary to have an approved EIDL loan. However, if you are able to secure a PPP loan, the $10,000 grant will be subtracted from the forgiveness amount

NOTE: The Paycheck Protection Program (PPP) created by the CARES Act prohibits borrowers from taking out two loans for the same purpose. For more information on PPP loans, visit uschamber.com/sbloans

How do I APPLY?

Apply online at **SBA.gov/disaster**

The SBA administers the EIDL program. Please contact the SBA with specific questions.

Prepared by the **U.S. CHAMBER OF COMMERCE**

GUIDE TO THE EMPLOYEE RETENTION TAX CREDIT

For COVID-19 Impacted Employers

The Coronavirus Aid, Relief, and Economic Security (CARES) Act created a new employee retention tax credit for employers who are closed, partially closed, or experiencing significant revenue losses as a result of COVID-19.

Who is ELIGIBLE?

Private employers, including non-profits, carrying on a trade or business in 2020 that:

- Have operations partially or fully suspended as a result of orders from a governmental authority due to COVID-19, or
- Experience a decline in gross receipts by more than 50% in a quarter compared to the same quarter in 2019 (eligibility ends when gross receipts in a quarter exceed 80% compared to the same 2019 quarter)

With respect to tax-exempt organizations under 501(c) of the tax code, the requirement to be partially or fully suspended applies to all operations of the organization.

Employers who receive a Paycheck Protection Program (PPP) loan are not eligible for a tax credit. To learn more about PPP loans, visit uschamber.com/sbloans

How much is the TAX CREDIT?

This new employee retention tax credit is a 50% tax credit for the first $10,000 of compensation, including the employer portion of health benefits, for each eligible employee.

- Compensation does not include paid sick or family leave for which the employer is reimbursed under the Families First Coronavirus Response Act
- The credit only applies to wages paid after March 12, 2020 and before January 1, 2021

WHICH EMPLOYEES COUNT toward eligibility?

- For employers with more than 100 employees: Full-time employees who are (i) being paid but (ii) not providing service due to either a full or partial shutdown or a reduction in gross receipts count toward eligibility
- For employers with 100 or fewer full-time employees: All employees, regardless of whether those employees are providing service, count toward eligibility
- Employers may not claim the same employee for this credit and the Work Opportunity Tax Credit for the same period. In addition, employers may not claim the same wages for an employee under this credit and also under the employer credit in section 45S for FMLA

How is the CREDIT PAID?

The refundable credit is applied against the employer portion of payroll taxes. The Treasury Department will develop a process for employers to receive an advance payment of the tax credit.

The Internal Revenue Service will issue further guidance and mange the ERTC process. Please contact the IRS with specific questions.

HOW THE "FAMILIES FIRST CORONAVIRUS RESPONSE ACT" IMPACTS YOUR ORGANIZATION

On March 18, President Trump signed bipartisan legislation, called the "Families First Coronavirus Response Act," providing for the following:

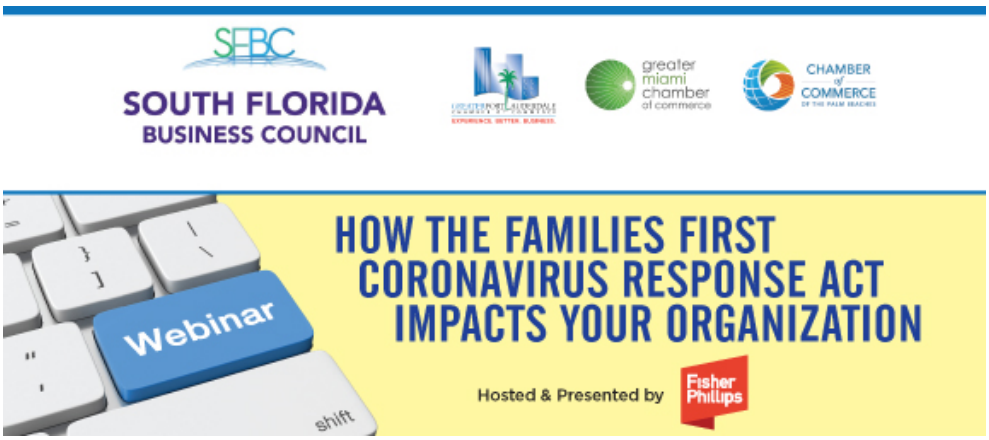
- **Free testing for coronavirus: All individuals who need a test, including those with private insurance, Medicare, Medicaid, CHIP, VA, FEHBP, and TRICARE, as well as the uninsured, will have access at no cost.**

- **Paid emergency leave: The bill provides two weeks of paid sick leave and up to three months of job-protected leave to allow workers to follow quarantine recommendations and care for their family members impacted by the virus.**

- **Enhanced unemployment insurance: It extends emergency unemployment insurance to help cover workers who are furloughed or quarantined due to an outbreak in their workplaces.**

- **Food security: It expands food assistance through the Women Infants and Children (WIC) program, food banks, Meals on Wheels, SNAP, and provides electronic benefit transfer amounts to families who would usually receive free and reduced-price meals at school.**

- **Health security: It invests additional federal funding into Medicaid to give states the option to expand Medicaid coverage for COVID-19 testing.**



On March 27, Fisher Phillips hosted and presented a webinar focusing on the new law's impacts on organizations.

Click here for the full webinar, including slide show.

REEMPLOYMENT ASSISTANCE APPLICATION GUIDE

Reemployment Assistance benefits, formerly known as unemployment compensation, can be filed online using CONNECT ; (https://connect.myflorida.com/Claimant/Core/Login.ASPX). If you have never filed in Florida before, use the "File a New Claim" link to start your application and create a profile. If you have filed previously, please log in using your Social Security number and PIN. If you no longer have your PIN, select the "Forgot PIN" button to regain access to your account.

For unemployment questions or concerns please call DEO Unemployment Claims to the following numbers:
Regular unemployment questions **(1-800-204-2418)**
Special Cases such as legal issues, computer literacy, language barriers or disabilities. **(1-800-681-8102)**

Watch a helpful tutorial video and guide on how to apply for Unemployment Benefits:
https://www.youtube.com/watch?v=M6CFhFn-He4&feature=emb_logo

Before filing, make sure you have the following information available:

- Social Security number
- Driver's license or State ID number
- Your employment for the last 18 months including for each employer:
  - Name, address, and phone number
  - First and last day of work
  - Gross earnings (before taxes are taken out) during the listed dates
  - The reason for separation
  - FEIN (this is found on any W2 or 1099 tax forms you have received)
  - If you don't have the FEIN, you can use employer details off the recent paystub
  - Claims filed without correctly reporting employers may experience delays. It is important to list the correct employment information when filing your claim. If you fail to do so, your benefits may be delayed while the missing employment information is obtained.

Additionally, if you are one of the following, make sure you have this information available:

- Not a U.S. citizen: Alien registration number or other work authorization form
- Military employee: DD-214 member 2, 3, 4, 5, 6, 7, or 8 may be used
- Federal employee: SF 8 or SF 50
- Union member: union name, hall number, and phone number

Once you complete your application, you will be REQUIRED to complete the following:

- Register for work through **Employ Florida** (www.employflorida.com)
- Review your monetary determination
- Keep a record of your weekly job contacts and **request benefits biweekly** (http://www.floridajobs.org/job-seekers-community-services/reemployment-assistance-center/claimants/file-a-continued-claim)
- Review your Home page in CONNECT to complete any open fact-findings and review any important messages on your account. (https://connect.myflorida.com/Claimant/Core/Login.ASPX)

Top 10 Things You Should Know . . .

About the Reemployment Assistance System When Filing Your Claim

Reemployment Assistance (RA) provides temporary financial assistance to qualified individuals who have lost their jobs through no fault of their own and who continue to meet eligibility requirements of state law.

The program is not a right to all who have lost their job.

Keep these top 10 key facts in mind when you are filing for RA benefits to ensure accurate and quick payment of benefits.

For more information
www.floridajobs.org
or
800-204-2418

We're here to help.

1. **Accurately Report the Reason You Are Unemployed**
   Accurately report your reason for separation from your job when you initially file your claim for benefits. It is important that you provide the RA office with the precise reason for your separation so that we can best assist you and help you to avoid fraud.

2. **Report Any Wages You Are Earning**
   You must report your gross wages (before your taxes are taken out) for each week you work and certify for benefits, even if you don't get paid until later. Be sure to accurately report on all earnings during your weekly claim certification – even those from part-time or temporary work. If you collect more RA benefits than you are eligible for because you fail to report earnings, you may be committing fraud and may be prosecuted.

3. **Register with the Employ Florida Marketplace (EFM)**
   You may seek help in finding a job through EFM. EFM provides valuable resources that are available for your use, including job referrals, resume building and re-employment services.
   www.EmployFlorida.com

4. **Be Available for Work**
   In order to collect benefits, you must continually verify that you are able, available and willing to accept suitable work. Possible conflicts like attending school during work hours or limitations with child care or transportation could limit your work availability and be an eligibility issue. Report such issues on your claim forms.

5. **Actively Search for Work**
   You must search for work each week that you file a claim for benefits. If you do not search for work during a week in which you file a claim, benefits may be denied until you show that you are actively seeking work.

6. **Develop an Effective Work Search Plan**
   Many Reemployment Assistance claimants do not have an effective plan for searching for work. The Employ Florida Marketplace is a great place to learn about different kinds of jobs, their availability, and how to get training. Visit www.EmployFlorida.com for more information and assistance with planning an effective work search.

7. **Avoid Errors and Ensure Proper Payment of Benefits**
   To prevent errors in payment of RA benefits that may result in an overpayment, it is important that you read all of the information that is provided to you when you file your claim for benefits. Improper payment of benefits will cause a delay or denial of future benefits. http://www.floridajobs.org/job-seekers-community-services

8. **Don't Delay – As Soon As You Begin Working Again, Report Your Return to Work**
   As soon as you begin working, be sure to notify your state's RA office and stop claiming benefits if you are working full time. Do not wait until you receive your first paycheck to report your return to work. The RA agency uses state and national resources to track new hires, so it is in your best interest to report your return to work immediately to avoid the serious consequences of an improper payment.

9. **Follow the Rules to Prevent Yourself from Committing Fraud**
   Anyone who collects RA benefits is legally responsible for making sure he or she follows the requirements set by state law. Failure to follow the rules can result in serious consequences. Consequences for not following RA regulations can include prosecution by government authorities, repaying the benefits with penalties, forfeiting a future income tax refund, losing future eligibility to collect RA benefits and a possible jail sentence.

10. **Know Your Responsibilities and Ask for Help**
    As a recipient of Reemployment Assistance benefits, you have a legal responsibility to know and follow all rules and reporting requirements. Navigating through the RA system can be confusing. If you have a question about your responsibilities or the requirements of receiving benefits, your state RA office is here to help. http://www.floridajobs.org/job-seekers-community-services/reemployment-assistance-center/connect-general-information/connect-resources