

Paycheck Protection Program

Agency: Small Business Administration

Due Date: June 30, 2020

Description: The Paycheck Protection Program is a loan intended to incentivize businesses to keep all employees on payroll through the COVID-19 crisis.

Terms of Loan: Small businesses are eligible to borrow up to \$10 million with loan maturities of 2 years and interest rates of 1%. Eligible borrowers will qualify for loans **equal to 2.5x the average monthly payroll for 2019**, though **employees earning more than \$100,000 are excluded from this calculation**. Businesses may also add outstanding amounts of an Economic Injury Disaster Loan made between Jan. 31, 2020, and April 3, 2020 (any advances on EIDL are subtracted out due to possibility of forgiveness)

Eligibility Criteria: Eligible borrowers include:

- Businesses with less than 500 employees (independent contractors do not count)
- In operation as of Feb. 15, 2020
- Individuals operating as a sole proprietor
- Self-employed individuals offering some trade or business regularly
- Private nonprofits

Documents Needed: Application form and payroll documentation

Where to Apply: Businesses can apply at participating SBA 7(a) lenders.