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 stay open during the COVID-19 pandemic. If employers maintain payroll, the loans would be forgiven.

**Who is Eligible?**
- Any business concern, nonprofit organization, veteran-owned business, 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 PPP lenders are eligible lenders. The Department of the 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 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 2.5% 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
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- Payment of interest on mortgage obligations, rent, utilities, and interest on pre-existing debt obligations

### EIDL Grants

**What is an EIDL Grant?**
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.

**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?**
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.

**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
- Payroll
- Rent
- Utilities
- Corporate interest payments
- Operations costs for business
- Payments of other debts
- Interim operating expenses
- Repayment costs on other loans