

Coronavirus Aid, Relief, and Economic Security (CARES) Act

PROGRAM FACT SHEETS

March 30, 2020



FACT SHEET: LOAN GUARANTY PROGRAM

Start Date: March 1, 2020

End Date: through June 30, 2020

The maximum loan amount for SBA Express loans would be increased from \$350,000 to \$1 million.

SMALL BUSINESS LOAN PROGRAM AND TAX CREDITS

This section of the bill was written to prevent workers from losing their jobs and small businesses from going out of business due to economic losses caused by the coronavirus pandemic. The plan provides 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. This proposal would be retroactive to March 1, 2020, to help bring workers who may have already been laid off back onto payrolls.

Loan Guaranty Program (The Paycheck Protection Program)

The bill would expand the allowable uses for the existing 7(a) Small Business Administration loan program to permit payroll support, including paid sick leave, supply chain disruptions, employee salaries, mortgage payments, and other debt obligations to provide immediate access to capital for affected small businesses.

The maximum loan amount for SBA Express loans would be increased from \$350,000 to \$1 million. These loans provide borrowers with revolving lines of credit for working capital purposes.

The cost of participation in the 7(a) program would be reduced for both borrowers and lenders by providing fee waivers, an automatic deferment of payments for one year, and no prepayment penalties.

The SBA Loan Guaranty Program is generally offered by private lenders with the support of the SBA. Contact your local lender for more information on SBA Guaranty Loan Programs. For general program information, visit:

Paycheck Protection Program Website: <https://www.sba.gov/funding-programs/loans/paycheck-protection-program#section-header-0>

General SBA Loan Guaranty Programs: <https://www.sba.gov/partners/lenders/7a-loan-program/types-7a-loans>

FACT SHEET: SMALL BUSINESS ADMINISTRATION (SBA) ECONOMIC INJURY DISASTER LOAN (EIDL) PROGRAM

Application Period: March 25 - May 8, 2020

Loan Amount: Up to \$2 Million

What is the SBA Economic Injury Disaster Loan Program?

The U.S. Small Business Administration (SBA) Economic Injury Disaster Loan (EIDL) is a federally-funded loan program available to small businesses, small agricultural cooperatives and most private nonprofit organizations. The loan helps with meeting financial obligations and operating expenses that could have been met had the disaster not occurred.

Who is eligible?

- Businesses, private nonprofits and cooperatives with fewer than 500 employees.
- Small businesses currently recognized by the SBA.
- Independent contractors and sole proprietors.

While EIDL is traditionally a loan program, the CARES Act, which establishes a \$350 billion Paycheck Protection Program through June 30, 2020, would provide \$10 billion for SBA to temporarily offer grants through the program to eligible small businesses with government-backed interruption loans, which could then be forgiven based on the borrower keeping its employees on payroll.

EIDL Loan Advance

As part of the COVID-19 EIDL Program, 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.

To learn more, contact the SBA at:

Website: <https://www.sba.gov/disaster-assistance/coronavirus-covid-19>

SBA Loan Guidance: <https://www.sba.gov/page/coronavirus-covid-19-small-business-guidance-loan-resources>

Streamlined Application Process: <https://covid19relief.sba.gov/#/>

Email Customer Service: disastercustomerservice@sba.gov

Phone: 800-659-2955

Monday through Friday between 8:30AM and 5PM.

FACT SHEET: ENTREPRENEURIAL ASSISTANCE

Start Date: March 1, 2020

End Date: through June 30, 2020

Entrepreneurial Assistance

The bill would provide grants to offer counseling, training, and related assistance to small businesses affected by COVID-19:

- \$240 million for SBA Small Business Development Centers and Women's Business Centers. The non-federal match for Women's Business Centers would be waived for a period of three months.
- \$10 million for Minority Business Development Agency's Minority Business Centers
- \$25 million for grants to associations representing resource partners.

For more information, visit <https://www.sba.gov>

*SBA guaranty loans are generally provided by private lending institutions with support by SBA. Contact a local lender for more information on this program.

For additional information on assistance on these programs please contact provider agencies:

Small Business Development Center (SBDC)
111 E. Las Olas Blvd., HEC Building, Room 1010
Ft. Lauderdale, FL 33301
954-762-5263
<http://www.fau.edu/sbdc/>

Florida's Women Business Center (FLWBC)
6241 N. Dixie Highway
Fort Lauderdale, FL 33334
561-265-3790 X111 Fax: 561-808-8137
<https://flwbc.org/>

Minority Business Development Agency (MBDA)
305-751-2908
9949 NE 2nd Avenue, Suite 204
Miami, FL 33138

FACT SHEET: ECONOMIC DEVELOPMENT ADMINISTRATION (EDA)

The bill provides \$1.5 billion for economic adjustment assistance to help revitalize local communities after the pandemic. EDA assistance can be used to help rebuild impacted industries such as tourism or manufacturing supply chains, capitalize local funds to provide low-interest loans to businesses of all sizes, and support other locally identified priorities for economic recovery.

For more information on EDA Assistance contact the EDA:

Regional Office - Atlanta Regional Office

H. Philip Paradise, Jr., Regional Director

Phone: 404-730-3002

Email: hparadice@eda.gov

Florida EDA Office

Greg Vaday

401 West Peachtree Street NW

Suite 1820

Atlanta, Georgia 30308-3510

Phone: 404-730-3009

Email: gvaday@eda.gov

Local EDA Economic Development District

South Florida Regional Planning Council

Isabel Cosio Carballo, MPA, Executive Director

1 Oakwood Boulevard, Suite 250

Hollywood, FL

Phone: 954-924-3653

Email: sfadmin@sfrpc.com

Website: <http://sfregionalcouncil.org/>

FACT SHEET: DELAY OF PAYMENT AND EMPLOYEE RETENTION

Start Date: March 01, 2020

End Date: through June 30, 2020

TAX CREDITS

This section of the bill was written to prevent workers from losing their jobs and small businesses from going out of business due to economic losses caused by the coronavirus pandemic. The plan provides 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. This proposal would be retroactive to March 1, 2020, to help bring workers who may have already been laid off back onto payrolls.

Delay of payment of employer payroll taxes

Allows employers and self-employed individuals to defer payment of the employer share of the Social Security tax they otherwise are responsible for paying to the federal government with respect to their employees. The provision requires that the deferred employment tax be paid over the following two years, with half of the amount required to be paid by December 31, 2021, and the other half by December 31, 2022.

Employee retention credit for employers subject to closure due to COVID-19

Provides a refundable payroll tax credit for 50 percent of wages paid, up to \$10,000, by employers to employees during the COVID-19 crisis. The credit is available to employers whose (1) operations were fully or partially suspended, due to a COVID-19-related shut-down order, or (2) gross receipts declined by more than 50 percent when compared to the same quarter in the prior year. The credit is based on qualified wages paid to the employee. For employers with greater than 100 full-time employees, qualified wages are wages paid to employees when they are not providing services due to the COVID-19-related circumstances described above.

For more information on COVID-19-related paid leave or tax credits, contact:

NaLee Park of the IRS at 202-317-6798

IRS Website: <https://www.irs.gov/coronavirus>

FACT SHEET: UNEMPLOYMENT INSURANCE EXPANSION

Start Date: March 1, 2020

End Date: through December 31, 2020

The legislation offers \$260 billion for unemployment assistance.

UNEMPLOYMENT INSURANCE EXPANSION

The legislation offers \$260 billion for unemployment assistance:

- Provides payment to states to reimburse government entities, non-profits, and Indian tribes for half of the costs they incur through December 31, 2020, to pay unemployment benefits;
- \$600 increase on top of regular unemployment compensation, which varies by state;
- Provides federal incentives for states to eliminate waiting weeks;
- Adds an additional 13 weeks of federally-funded unemployment insurance, benefits available immediately; and
- Allows part-time, self-employed, and gig economy workers to access unemployment insurance benefits through the end of 2020.

United States Department of Labor

U.S. Department of Labor | 200 Constitution Ave NW, Washington, DC 20210

www.doleta.gov | Telephone: 1-877-US-2JOBS | TTY | Fax: 202-693-2726 |

Department of Economic Opportunity

107 East Madison Street

Caldwell Building

Tallahassee, Florida 32399-4120

<http://www.floridajobs.org/office-directory/division-of-workforce-services/reemployment-assistance-programs/disaster-unemployment-assistance>

Telephone: (850) 245-7105

FACT SHEET: SMALL BUSINESS LOAN PROGRAM AND TAX CREDITS

Start Date: March 1, 2020

End Date: through June 30, 2020

SMALL BUSINESS LOAN PROGRAM AND TAX CREDITS

This section of the bill was written to prevent workers from losing their jobs and small businesses from going out of business due to economic losses caused by the coronavirus pandemic. The plan provides 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. This proposal would be retroactive to March 1, 2020, to help bring workers who may have already been laid off back onto payrolls.

Small Business Assistance

- Small employers with 500 employees or fewer will be eligible to apply for the loans.
- Loans would be immediately available through existing Small Business Administration-certified lenders, including banks, credit unions, and other financial institutions, and SBA would be required to streamline the process to bring additional lenders into the program.
- The Secretary of Treasury would be authorized to expedite the addition of new lenders and make further enhancements to expedite delivery of capital to small employers.
- The size of the loans would be tied to an applicant's average monthly payroll; mortgage, rent, and utility payments; and other debt obligations over the previous year. The maximum loan amount would be \$10 million.
- Conditional upon business retaining their employees and payroll levels during the covered period (March 1, 2020, through June 30, 2020), the portion of the loan used to cover payroll and payments on pre-existing debt would be forgiven. Further, employers with tipped employees would receive forgiveness for additional wages paid to such employees during the covered time.
- The bill would provide \$300 billion to support these loans.

For more information, contact:

NaLee Park at Office of Associate Chief Counsel at IRS

Phone: 202.317.6798

Website: www.irs.gov/coronavirus

FACT SHEET: DIRECT PAYMENTS TO WORKING AMERICANS

Start Date: Anticipated 3 weeks from approval of CARES Act

In order to soften the blow of lost income to consumers, the CARES Act provides immediate tax rebate credit of a minimum of \$600 up to \$1,200 per taxpayer plus \$500 per child. These amounts (except the per-child payment) are doubled for [joint returns](#). Taxpayers with no [tax liability](#) would receive \$600 and the amount increases dollar for dollar for those with a tax liability up to \$1,200. For those with annual incomes over \$75,000 per individual taxpayer, the rebate would phase out by 5% of any income over \$75,000, gradually dropping to zero for incomes above \$99,000 per year.

DIRECT PAYMENTS TO WORKING AMERICANS

Workers who make less than \$75,000 annually (\$150,000 married) will receive \$1,200 and \$500 for each child.

- The rebate amount is reduced by \$5 for each \$100 that a taxpayer's income exceeds the phase out threshold.
- The amount is completely phased-out for single filers with incomes exceeding \$99,000.
- \$146,500 for head of household filers with one child, and \$198,000 for joint filers with no children.
- In order to receive a rebate check the IRS will use a taxpayer's 2019 tax return if filed, or in the alternative their 2018 return.
- The rebate is made available to individuals who have no income, as well as those whose income comes entirely from non-taxable means-tested benefit programs, such as SSI Benefits.

Note: The IRS indicates that at this time, they do not have any information available yet regarding stimulus or payment checks and no signup is currently needed. When the IRS has more specific details, they will be made available at: <https://www.irs.gov/coronavirus>.

FACT SHEET: STUDENT LOANS

- **The federal government has already waived two months of payments and interest for many federal student loan borrowers. Is there a bigger break now with the new bill?**

Yes. Until Sept. 30, there will be automatic payment suspensions for any student loan held by the federal government. It is hard to contact many of the loan servicers right now, so check your account online in the coming weeks. Once you are logged in, look for the current amount due. There, you should be able to see if the servicer has reset its billing systems so that you are showing no payment due.

- **How do I know if my loan is eligible?**

If you've borrowed money from the federal government - a so-called direct loan - in the past 10 years, you're definitely eligible. According to the Institute for College Access & Success, 90 percent of loans (in dollar terms) will be eligible.

Older Federal Family Educational Loans (F.F.E.L.) that the U.S. Department of Education does not own would not be eligible, nor would Perkins loans, loans from state agencies, or loans from private lenders like Discover, Sallie Mae and Wells Fargo. The holders of all those kinds of loans may be offering their own assistance programs.

Within a few weeks of the bill becoming law, you are supposed to receive notice indicating what has happened with your federal loans. You can choose to keep paying down your principal if you want. Then, after Aug. 1, you should get multiple notices letting you know about the cessation of the suspension period and that you may be eligible to enroll in an income-driven repayment plan.

- **Will my loan servicer charge me interest during the six-month period?**

The bill says that interest "shall not accrue" on the loan during the suspension period.

At the end of the suspension, keep a close eye on what your loan servicer does (or does not do) to put you back into your previous repayment mode.

- **Will the six-month suspension cost me money, since I'm trying to qualify for the public service loan forgiveness program by making 120 monthly payments?**

No. The legislation says that your payment count will still go up by one payment each month during the six-month suspension, even though you will not actually be making any payments. This is true for all forgiveness or loan-rehabilitation programs.

- **Is wage garnishment that resulted from being behind on my loan payments suspended during this six-month period?**

Yes. So is the seizure of tax refunds, the reduction of any other federal benefit payments and other involuntary collection efforts.

- **Are there changes to the rules if my employer repays some of my student loans?**

Yes. Some employers do this as an employee benefit. Between the date the bill is signed and the end of 2020, they can offer up to \$5,250 of assistance without that money counting as part of the employee's income. If the employer pays tuition for classes an employee is taking, that money will also count toward the \$5,250.

Contact Information:

The U.S. Department of Education advises borrowers to contact their loan servicer. See chart below for websites and phone numbers:

Loan Servicer	Contact
CornerStone	1-800-663-1662
FedLoan Servicing (PHEAA)	1-800-699-2908
Granite State – GSMR	1-888-556-0022
Great Lakes Educational Loan Services, Inc.	1-800-236-4300
HESC/Edfinancial	1-855-337-6884
MOHELA	1-888-866-4352
Navient	1-800-722-1300
Nelnet	1-888-486-4722
OSLA Servicing	1-866-264-9762
ECSI	1-866-313-3797



Florida Resources

FACT SHEET: FLORIDA DEO SHORT TIME COMPENSATION PROGRAM

Florida DEO Short Time Compensation Program

[Florida DEO's Short Time Compensation Program for Employers](#) – 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. The program permits prorated reemployment assistance benefits to employees whose work hours and earnings are reduced as part of a Short Time Compensation plan to avoid total layoff of some employees.

For information on qualifications and how to apply go to: <http://floridajobs.org/office-directory/division-of-workforce-services/reemployment-assistance-programs>

Contact information:

Reemployment & Emergency Assistance Coordination Team (REACT)
Florida DEO
Steven Gustafson
Phone: 850-245-7477
Email: Steven.Gustafson@deo.myflorida.com

FACT SHEET: FLORIDA SMALL BUSINESS EMERGENCY BRIDGE LOAN PROGRAM

Application Period: March 17 to May 8, 2020

Loan Amount: Up to \$50,000

What is the Florida Small Business Emergency Bridge Loan?

The Florida Small Business Emergency Bridge Loan Program is a State-funded short-term, interest-free working capital loan program intended to “bridge the gap” between the time a major catastrophe hits and when a business has secured longer term recovery resources, such as sufficient profits from a revived business, receipt of payments on insurance claims or federal disaster assistance.

Who is eligible?

- Small business owners with 2 to 100 employees located in Florida affected by COVID-19.
- Businesses established prior to March 9, 2020 with demonstrated economic impacts as a result of COVID19.

To learn more, contact the Florida Department of Economic Opportunity (DEO):

Website: <https://floridadisaster.biz/>

Florida DEO Private Sector Hotline: 850-815-4925

Florida DEO Email: ESF18@em.myflorida.com

FACT SHEET: FLORIDA BUSINESS DAMAGE ASSESSMENT SURVEY

Activated: March 12, 2020

Florida Business Damage Assessment Survey

The survey, managed by the Florida Department of Economic Opportunity (DEO), evaluates businesses affected by COVID-19 and the impacts the virus has had on the local economy. The survey is currently open and ongoing.

After filling out the survey, federal, state or local agencies may reach out to you through the contact information provided if you indicate your interest. Surveys are public record and must be made available to the public and media upon request.

For more information, contact the DEO at:

Website: <https://floridadisaster.biz/>

Email: ESF18@em.myflorida.com

Phone: 850-815-4925

(Florida Private Sector Hotline during an activation of the State Emergency Operations Center)