

# COVID-19 Small Business Survival Guide



## COVID-19 BUSINESS SURVIVAL GUIDE

(Updated 9:00 AM 5/4/2020 Information may have changed since this posting)

Below you will find a number of resources and frequently asked questions which can help guide your business through this global pandemic. The resources focus on several different areas from marketing on Facebook and Google, to CDC Guidelines for small businesses and the SBA Economic Injury Disaster Loan process. We encourage all businesses to review these tips and to consider applying for funds, while your business may not be experiencing trouble now, there is a very real chance that if economic relief is not brought to those businesses in most need in the next few weeks their troubles will cascade into healthy businesses bringing those businesses down and the economy down as well. **Federal Funds are not a silver bullet and should be used in conjunction with the other strategies outlined below.** Having a plan and funds in place now can help to keep your business open and operating and your employees paid.

### Recently Announced

**The SBA PPP will reopen today (4/27/2020) at 10:30 AM EST. There are some changes to the PPP which are noted in the [PPP section](#) of this doc.**

**[THE EIDL PROGRAM Just reopened](#): For Agricultural businesses only**

**For assistance in Spanish please reach out to Ruth Chavez [rchavez@umd.edu](mailto:rchavez@umd.edu)**

**[MD Chamber of Commerce Best Practices for Reopening Maryland](#)**

**To see your different funding options [click here](#) (SBA, State, and local)**



## Table of Contents

1. [First Steps:](#)
2. [Important Updates](#)
3. [General FAQ](#)
4. [SBA Disaster Loan FAQ](#)
5. [Maryland Grant and Loan Fund FAQ](#)
6. [Links to other Helpful Resources](#)
7. [Funding Options](#)
8. [OSHA Resources and Information](#)
9. [Facebook for Business Tips and Resources](#)
10. [Intuit Quickbooks Resources and Tips](#)
11. [Google Tools and Tips](#)
12. [Tax Credit Programs](#)
13. [Local Resources](#)
14. [Maryland Unemployment Benefits](#)

If there is something specific you are looking for you can hit Ctrl+F to open a search box to look for specific phrases in the document

## First Steps:

This is an outline of some first steps to perform on your business, more details are provided later in the document.

- **Reach out to all creditors:**
  - Bank - What debt payments are due? What fees can be waived? Can you get deferments on debt or go interest only?
  - Credit Card Company - Can you get deferred payments, maybe no interest for a few months
  - Landlord/Mortgage Company - Can you defer payments, can you get reduced rent?
  - Utilities - Can you defer or delay payments?
  - Insurance companies - If you have monthly payments see if payments can be delayed
  - Merchant Credit Card Processing-This is a good time for business owners that have merchant credit card processing accounts to call their rep and ask to switch to a Cash Discount Program. This eliminates all credit card processing fees for the merchant. The customer pays the fee when using a credit card.  
Tips for merchants:
    - It's legal
    - Do not sign a contract
    - Equipment and paper should be free
    - You can integrate it into your POS system.
- **Put together an outline of your fixed costs over the next six months**
  - Do the math - staying open may be costing you more money then closing your doors.
- **Share as much information with your employees as you can (within reason) they have bills to pay as well.**
- **Establish teleworking procedures- Some free videos that may help [here](#):**
- **Create a marketing plan based based on the new economic environment**
- **Reach out to your insurance company, if you have [business interruption insurance](#) you may qualify for some funds from the insurance company**

## Important Legislative Updates

As the COVID-19 crisis escalates in the National Capital Region, Governor Larry Hogan today issued a Stay at Home order to protect public health and safety. The order, which takes effect at 8:00 p.m. tonight, states that no Maryland resident should leave their home unless it is for an essential job or for an essential reason, such as obtaining food or medicine, seeking urgent medical attention, or for other necessary purposes. [See full article here](#)

### [Governors Road to Recovery](#)

**Updated 4/10 at 4:43PM** “On Thursday, the Senate blocked efforts to expand the \$349 billion small business stimulus lending program (Paycheck Protection Program) by an additional \$250 billion. Senate Majority Leader Mitch McConnell tried to approve the measure by a unanimous vote. However, Senator Ben Cardin, objected to the request. Senator Chris Van Hollen then tried to unanimously pass a Democratic amendment but it was blocked by McConnell and the Senate adjourned until Monday.”

#### Important

**Tax filing deadline has been moved from April 15th to July 15th  
Annual Report and Personal Property Tax Return Deadline  
Extended to July 15**

### UNEMPLOYMENT INSURANCE, NOW INCLUDING SELF-EMPLOYED AND GIG WORKERS

#### **CARES ACT [FULL GUIDE ON THE BILL HERE](#)**

- \$600 per week unemployment insurance is being made available for the self-employed, independent contractors, and gig workers who otherwise would not have qualified for unemployment.
- An additional \$600 per week is being given to those who already qualify for unemployment.
- Unemployment insurance will last for four months.

### **SMALL BUSINESS LOANS AND GRANTS – the Keeping American Workers Paid and Employed Act [CARES ACT FULL GUIDE ON THE BILL HERE](#)**

## Loan forgiveness

A small business can get their loan “forgiven”—in essence turned into a grant instead of a loan—by the percent of employees they keep on payroll (with no more than a 25% reduction in pay), and you can get additional forgiveness if you increase paid wages for those who would otherwise have received tips.

- **SBA Express Loans:** The maximum loan amount for SBA Express loans would be increased from \$350,000 to \$1 million. Express loans provide borrowers with revolving lines of credit for working capital purposes.
- **Payroll tax deferment.** For the rest of 2020, you can defer payment of the 6.2% federal payroll tax—paying half in 2021 and half in 2022. You will still have to pay that tax, but you will have added cash flow now. Employers who do not apply for a small business loan but keep their employees on the payroll during the crisis would be eligible for a payroll tax credit (not just deferral).
- **Small Business Grants.** \$10 billion has been allocated for emergency grants of up to \$10,000 for small businesses applying for Economic Injury Disaster Loans (EIDL).

## Maryland State Updates: Financial Assistance & Taxes

- Maryland business and individual income taxpayers will be given a 90-day extension for tax payments. No interest or penalty for late payments will be imposed if 2019 tax payments are made by July 15, 2020. See [90-day extension for tax payments](#) for more information, or reach out to [taxpayerrelief@marylandtaxes.gov](mailto:taxpayerrelief@marylandtaxes.gov) with questions.
- Comptroller Franchot also extended business-related tax filing deadlines to June 1. [Get additional information regarding business tax returns - including sales and use tax, alcohol tax, etc. - and income tax extensions.](#)
- Businesses who paid their Maryland Sales & Use Taxes for March early may request a refund of their payment by emailing [taxpayerrelief@marylandtaxes.gov](mailto:taxpayerrelief@marylandtaxes.gov) or by calling 410-260-4020.
- Taxpayers who have set up a payment through their own online banking services will need to stop that transaction through their banks. Taxpayers who have scheduled a payment through the Comptroller’s iFile or bFile can request to have a debit from their account stopped as long as it is at least 3 days prior to the scheduled payment date. If taxpayers have individual requests for assistance, they should contact Taxpayer Services at 410-260-7980 or via email at [taxhelp@marylandtaxes.gov](mailto:taxhelp@marylandtaxes.gov).

## General FAQ

### What is the first thing I should do?

For any traditional business the first thing you will want to do is get a handle on your financial situation. I would suggest reviewing the last three months' financial statements to get a breakdown of what your fixed costs are and how much you **have** to spend every month to stay in business. If you are not generating enough cash to cover those costs you will want to begin seeing who you can work with (creditors) or what sales you may still be able to have to close the gap. If you are unable to close the gap you will want to begin to apply for better credit terms/funding.

### How can I obtain funding to keep my business running?

**For funding, first call should be to your bank**, if you have a good history with your bank you may be able to get approved for a small amount of funding or line of credit relatively quickly. If you have been in business for two years obtaining a line of credit should be your first call.

### My business produces PPE (personal protection equipment). How can I help get it to those who need it?

If your business produces PPE (Personal Protection Equipment) please reach out to: [resource.mema@maryland.gov](mailto:resource.mema@maryland.gov) or [dgs.mema@maryland.gov](mailto:dgs.mema@maryland.gov). There is additional information available on the [Regional Manufacturing Institute of Maryland's website](#).

### My business has been doing curbside pickup, under the new stay at home mandate can I continue to operate?

Curbside Pickup. Restaurants may continue selling food and drink on a carry-out or drive-through basis; however, because residents of Maryland are not permitted to leave their homes to purchase products from nonessential businesses, curbside pickup at nonessential businesses is no longer permitted. [Read the interpretive guidance.](#)

### I have had to lay my employees off. Are my unemployment insurance tax rates going to go up?

No, the state made the decision to hold all unemployment tax rates steady on businesses until the end of 2020.

### Can I apply for the Maryland Grant, loan, and the SBA EIDL?

Yes, you can apply for and are encouraged to apply for any of the programs that you qualify for.



### **Can I get these various grants/loans and sign up for unemployment?**

The answer to this will depend on what the state unemployment department ultimately decides, however it is conceivable that a business owner could use these programs together (summary taken from a [Forbes Article](#)) if a business owner used the EIDL to cover operating expenses, unemployment to cover living expenses, and the PPP to cover healthcare and retirement benefits then one could use all the programs together, but it will be dependent on what the state ultimately decides.

### **I am a faith based organization. Can I qualify for assistance?**

The SBA has created guidelines and a Frequently Asked Questions Page for faith based organizations which can be viewed [here](#).

### **How can I keep up employee morale?**

In times like this employee moral is incredibly important, there are a number of simple and effective ways to keep your employees engaged. Maintaining normalcy as much as possible is the first step. Keep celebrating birthdays and special events even if it is done virtually. Order lunch for employees even if it has to be delivered to their individual homes. Make sure to acknowledge and thank employees for their work, as people worry about their own safety and future a simple thank you can go a long way.

### **My Business has Investors, what do I do?**

As with creditors your investors will want to be kept in the loop, let them know what changes have been made and how this disaster is affecting you and what proactive steps you are taking to keep your company in business.

### **How Does the SBA Count Employees?**

The SBA counts all individuals employed on a full-time, part-time or other basis. This includes employees obtained from a temporary employee agency, professional employee organization or leasing concern. For purposes of the Paycheck Protection Program, employees who do not reside in the United States are not counted for the determination of loan size, but are included for the determination of whether the organization satisfies the maximum employee test.

### **How can I maintain my sales?**

Businesses must be able to find ways to stay in contact with their customers, either through website updates, emails, texts, or social media, most likely by using all those platforms. You shouldn't be afraid to think outside the box, restaurants are selling prepared meals for takeout as well as uncooked goods and acting as supplemental grocery stores.

### **Should I change my marketing messaging?**

Yes, strategies need to be adjusted daily if not hourly to ensure that you are still in compliance with the changing regulations as well as being compassionate to the needs of your customers as well. Don't forget to be genuine, your customers want you to still be in business once this disaster is over, make sure they understand you need their help.

### **If I have been convicted of a crime. Am I still eligible for SBA/Government grant and loan programs?**

These are the current disqualification criteria for those with criminal convictions:

- "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?"
- 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)?"

The business will likely need to submit SBA Form 1919 to give details.

### **I don't have much for a marketing budget, what are some simple things I can do to keep selling?**

- Retail, services, restaurants...push your products and services out of the store and into the hands of your customers; curbside pick-up, drive-through service, delivery, "call in order" fulfillment, take products and services to markets and trade events when appropriate.
- Leverage digital media technology (e.g. email, website, etc.), Social Media (e.g. Facebook, Instagram, Pinterest, YouTube, etc.) and eCommerce platforms (e.g. eBay, Cherish, Etsy, etc.) as communications, marketing and revenue generating channels; exploit all eCommerce options as promotional and distribution systems for getting products and services into the customer space.
- Offer personalized online events and "home-made" videos to promote, deliver and distribute products and services (e.g. yoga lessons or upcycle furniture demo videos on YouTube or product simulations and videos via Google Classroom or product webinars); use this media to trigger prospects for future in-store transactions.
- Host virtual, online events and webinars in place of in-person events; offer online networking events to communicate with customers and provide customer support during business disruptions.

### **My business works primarily as a government contractor, what guidance is there for me?**

Bloomberg Government has released a comprehensive guide which can help answer your questions about ongoing and upcoming government contracts. That guide can be found [here](#). You can also get updates from the [Maryland Procurement Technical Assistance Center](#).



I am a farmer or other ag business who doesn't qualify for the EIDL, what can I apply for?

## Families First Coronavirus Response Act

(Paid Sick Leave/Medical Leave/unemployment)

### US Department of Labor Update

*"Employers with fewer than 50 employees may claim an exemption from the emergency paid leave provisions of the Families First Coronavirus Response Act (FFCRA), and the exemption applies specifically to leave taken for reasons of child care and school closures related to COVID-19, according to a U.S. Department of Labor (DOL) guidance updated March 28."*

Small businesses with fewer than 50 employees, including religious and nonprofit organizations, are exempt from two aspects of the FFCRA's provisions — (1) paid sick leave due to school closure, place of care closure or child care provider unavailability for COVID-19 related reasons; and (2) emergency paid leave under the Family and Medical Leave Act (FMLA) — when doing so would jeopardize the viability of the business, DOL said. An "authorized officer" of the business must determine whether it meets this criteria, according to the guidance.

Separately, DOL's Wage and Hour Division published a Field Assistance Bulletin regarding its temporary non-enforcement of the FFCRA until April 17. DOL will not bring enforcement actions against any public or private employer for FFCRA violations during this 30-day period provided the violating employer acts "reasonably" and "in good faith." The employer must also remedy any violations as soon as practicable, its violations must not be willful and DOL must receive from the employer a written commitment to comply with the law in the future."

### Do I need to alert my staff to these changes?

Yes, there is a new Department of Labor poster which you will need to hang in your facility which can be found [here](#).

## Where can I direct my employees to get information about the FFCR Act?

The US Department of Labor has put together a [Fact Sheet for Employees](#) to help answer some of their questions.

## How do I (as an employer) know what I need to cover?

Details on the FFCRA are below, and you can also check out the Department of Labor's [Fact Sheet for Employers](#).

*H.R. 6201 Families First Coronavirus Response Act (includes technical changes as passed by House 03/16/2020)*

### Overview Employer Paid Leave Requirements and Tax Credit Provisions

	Covered Employers	Duration of Leave	Qualifying Reasons for Leave	Required Wage Replacement	Applicability of: Division G – Tax Credits for Paid Sick and Paid Family and Medical Leave
<b>Division E – Emergency Paid Sick Leave</b>  Effective 15 days after enactment.  Expires 12/31/2020	<u>Private sector employers with fewer than 500 employees.</u>  Public sector employers with 1 or more employees.  Good cause exemption for employers with fewer than 50 employees. Applies to reason #5 only. (DOL Rule)	<u>Employer must provide 2 weeks</u> of paid sick leave for full-time covered employees.  Special rule for part-time employees.	1. Employee is subject to a Federal, state or local quarantine related to COVID-19. 2. Employee has been advised by a health care provider to self-quarantine. 3. Employee is experiencing symptoms of COVID-19 and seeking a medical diagnosis. 4. Employee is caring for an individual who is subject to quarantine pursuant to 1 and 2. 5. To care for a child or children whose school or care provider is unavailable due to COVID-19. 6. Employee is experiencing a similar condition as specified by HHS, DOL or Treasury.	<u>Reasons #1-3:</u> Employee's regular rate of pay. Capped at \$511/day and \$5,110 total.  <u>Reasons #4-6:</u> 2/3 of employee's regular rate of pay. Capped at \$200/day and \$2,000 total.  Special rule for part-time employees.	Private sector employers with fewer than 500 employees may obtain a credit for wage replacement:  <u>Employers receive 100% payroll tax credit (refundable as needed)</u> for required paid sick leave wages plus certain health care expenses of the employer.  Special rule for self-employed.
<b>Division C – Emergency Family and Medical Leave</b>  Effective 15 days after enactment.  Expires 12/31/2020	<u>Private sector employers with fewer than 500 employees.</u>  Good cause exemption for employers with fewer than 50 employees. (DOL rule)	<u>Employer must provide 10 weeks</u> of paid family and medical leave for employees (employed for at least 30 days).  Special rule for part-time employees.	Employee is unable to work (or telework) due to a need for leave to care for a son or daughter under 18 years of age if the school or place of care has been closed, or the child care provider is unavailable, due to a public health emergency.	<u>Not less than 2/3 of regular rate of pay</u> based on # of hours scheduled to work. Capped at \$200/day and \$10,000 total.  Special rule for part-time employees.	Private sector employers with fewer than 500 employees may obtain a credit for wage replacement:  <u>Employers receive 100% payroll tax credit (refundable as needed)</u> for required paid family and medical leave wages plus certain health care expenses of the employer.  Special rule for self-employed.

*Prepared by Ways and Means Republicans*

## Here are the details:

- **COMPANIES WITH 500 OR FEWER EMPLOYEES** must provide:
  - paid sick leave – 2 weeks paid leave at 100% of employee's normal pay, up to \$511 per day

- paid family and medical leave – additional 12 weeks of paid family and medical leave at 67% of normal pay, up to \$200 per day (small businesses can apply for a waiver of this in some limited circumstances)
- **SMALL BUSINESSES WILL GET A TAX CREDIT TO COVER THE COSTS.**
- **GIG WORKERS AND INDEPENDENT CONTRACTORS** get the same benefits in form of a tax credit.

### **Small businesses:**

You must provide paid sick leave and/or family/medical leave for any of your payroll workers (not contractors). The government will pick up the cost of this paid leave—by applying a credit for your 6.2% payroll social security taxes. If the credit is insufficient to cover those costs, the government will pay you directly. You or your workers do not have to be sick to qualify! Anyone told to quarantine, who is exposed to the virus, showing symptoms, or needs to get tests or preventive care qualifies. Family leave is easier—up to 3 months of paid leave to adhere to quarantine, take care of a sick family member or a child who is home because of their school being closed.

### **Gig worker/independent contractor:**

If you are paid by another company (e.g., a rideshare company, a caterer, a worker platform like Upwork, another contracting company), you're eligible for a tax credit of up to 2 weeks sick leave at your average pay and 12 weeks of family/medical leave at 2/3 your average pay. The same caps apply--\$511/\$200 per day. You must show you had to comply with self-isolation or care for family members, including children whose schools had been closed due to the coronavirus. Tax credits will be applied against your tax payments, or you will get a rebate if your tax is lower than the credit.

### **Where can I go if I have additional questions?**

The US Department of Labor has been updating a running [Questions and Answers](#) which should help answer any additional questions that you have.

### **Are there any alternatives to layoffs?**

Yes, Maryland has a workshare program which would allow you to keep your workforce in place while reducing their hours, see more details [here](#).

### **I am self employed and qualify for unemployment now, where do I go to sign up?**

Unfortunately while it has been made into law the state still needs to adjust to these changes, you can get up to date information on the [Division of Unemployment Webpage](#) they have an option to sign up for updates when changes will be made to the system to allow those who would not traditionally qualify to apply which we highly recommend [Department of Labor FAQ](#)

## SBA DISASTER LOAN FAQ (EIDL)

The link to apply is found in our [funding section](#)

**THIS PROGRAM HAS BEEN REOPENED AS OF 5/4/2020 (Changes to the program are below)**

**SBA has resumed processing EIDL applications that were submitted before the portal stopped accepting new applications on April 15 and will be processing these applications on a first-come, first-served basis. SBA will begin accepting new Economic Injury Disaster Loan (EIDL) and EIDL Advance applications on a limited basis only to provide relief to U.S. agricultural businesses**

### **What is the program called?**

SBA Disaster Funding is the Economic Injury Disaster Loan” (“EIDL”) program.

### **Who can apply for these funds?**

In order to be eligible to apply for these loans, a state governor must work with the SBA to provide them state/county specific requests in order to prove the need for funds. At the moment **all counties in Maryland** are eligible to apply for SBA EIDL funding.

### **What is the “EIDL Loan Advance”?**

If you applied with the SBA for the EIDL after (3/30) you are eligible for up to a \$10,000 advance on the loan which will be converted to a grant. The amount of funding will depend on your number of employees as it is \$1,000 per employee up to \$10,000.

### **What are the funding criteria?**

As with most loans, the decision is based on a number of factors. However, these loans are heavily dependent upon cash flow, the loan decision will come down to when the business is

healthy will it have enough cash flow to cover expenses plus the new debt, this will be based on the historical monthly sales figures you provide the SBA.

### **I have specific questions on the process who can I reach out to?**

The SBA has a hotline to help answer questions **1-800-659-2955** it is manned from 7:00AM to 9:00PM 7 days a week. You can also reach out to your local SBDC Consultant.

### **Is there a prepayment penalty?**

No, you can pay the loan off at any point in time, although with the favorable terms in these loans it is unlikely to be refinanced to better terms.

### **Is collateral required?**

Yes, and no... For loans of up to 25K no collateral is required. For loans of over 25K you will need to give the SBA access to collateral, that does not mean that you need to have your loan fully collateralized, but if you have collateral it will be used, no loan will be denied due to a lack of collateral.

### **Why am I being asked for my banking information?**

If you requested the up to \$10,000 advance on the EIDL the SBA will ask for your banking information in order to send you the funds.

### **What Credit Score is required to obtain funding?**

While there is no hard credit score requirement typically those with a credit score below 600 will have a difficult time being approved for funding without providing a narrative to explain their credit score.

### **What if I haven't been open for a full year, or am a startup?**

The SBA can take projections into account, so you do not necessarily need to have been open for a full year.

### **When funding the loan is the SBA looking for ability to pay back the debt or how in need the business is?**

The loan values are based primarily on cash flow, so the ability to repay the debt is one of the most important factors.

### **Can nonprofits apply for SBA EIDL Funding as well?**

Yes, and they are charged a lower interest rate than for profit organizations at 2.75%.

### **If I have a previous SBA loan will that speed up the process?**

No, it will not speed up the process, you also cannot use these funds to pay other SBA loans, however if you speak to your lender you can get a deferment on your SBA loan payment (deferments are between 90-120 days).

### **Who is the lender?**

Unlike traditionally backed SBA loans, SBA EIDL loans are TOTALLY handled, processed – and if approved, funded directly – by the SBA. **Banks and other lenders DO NOT do SBA EIDL loans.**

### **Are the COVID19 SBA EIDL Requirements different from other SBA EIDL in the past?**

YES! The process has been shortened to a quick and easy initial application which takes about 30 minutes to complete and can qualify you for up to a \$10,000 advance of funds which are fundable within a few business days.

### **How do I apply?**

Once your area has been declared a COVID19 disaster by the SBA you can apply online on the SBA's website [here](#).

### **My Business has been hurt by this disaster, will I automatically get a loan?**

Unfortunately no, As with all loans the fundamental thing to demonstrate, apart from eligibility, is the ability of the business to generate cash flow and repay the loan. These are working capital loans intended to replace revenues lost as a result of the disaster. The business must be able to show that before the disaster, the business was sound and solvent.

### **How Much Can I Borrow from an EIDL?**

SBA's Economic Injury Disaster Loans offer up to \$2 million in assistance, but how much you qualify for is based on a case by case basis.

### **Can a sole proprietor apply for an SBA EIDL?**

Yes, Sole proprietors and single member LLCs are eligible for SBA funding.

### **What interest rate will I pay?**

The interest rate is 3.75% for small businesses. The interest rate for non-profits is 2.75%.

### **Why does EIDL have a 3.75% interest rate when the Federal Reserve just lowered rates to almost zero?**

This goes back to the law for emergency relief passed by Congress years ago. The rate for EIDL is set at the beginning of the quarter. So in January, the rate was 3.75%. Since then the



Fed has lowered rates. We are waiting to see what the rates will be for the second quarter, but they should be lower based on that. I wish we could change it in real time, but by law we can't.

### **If I apply for funding do I have to take it?**

No, if you apply for funding and are approved you can "shelve" your application for up to six months.

### **I have been approved, when is my first payment?**

Once your loan is funded your first payment is not until 12 months after the first disbursement.

### **Is there a cost to apply?**

While there is no cost associated with filling out the application (beyond your time) there may be costs associated with getting the documents required to fund the loan such as a certificate of good standing.

### **Can I use this loan to refinance existing debt?**

No, SBA EIDL's are designed as working capital loans to keep the business going in times of distress.

### **Can I use these funds to make debt payments on another SBA loan?**

For the time being you cannot. Unfortunately, you can not use government funds to pay back government funds. You can ask for a deferment on your existing 7(a) debt which can be from 90-120 days depending on individual factors, but you will need to speak to your lender. **SBA Administrator Jovita Carranza announced changes to help borrowers still paying back SBA loans from previous disasters. By making this change, deferments through December 31, 2020, will be automatic. Now, borrowers of home and business disaster loans do not have to contact the SBA to request deferment.**

### **How long are the Payment Terms?**

SBA offers loans with long-term repayments in order to keep payments affordable, up to a maximum of 30 years. Terms are determined on a case-by-case basis, based upon each borrower's ability to repay.

### **What can I use EIDL funds for?**

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. They are not used to grow your business, they are used to help you recover.

### **I own multiple businesses, can I apply multiple times?**

Yes, provided they are separate business entities and not parent companies/comeingled you can apply for each of your businesses.

**If I apply for other grants and loans can I still apply to the SBA EIDL program?**

Yes, applying to multiple different funding types does not disqualify you and is encouraged.

**Can I apply for the SBA EIDL and the Payroll Protection Program?**

Yes, you can qualify for both, however, if you are awarded the \$10,000 advance grant on the SBA EIDL that value will be subtracted from how much of your PPP loan will become a grant.

**How long will the EIDL take to fund?**

Provided that you applied after 3/30 on the new quick portal, if you checked that you are interested in getting the up to \$10,000 advance you should hear from the SBA within a few weeks. As for the rest of the funds the SBA should reach out to you for additional documents and information within 28 days.

**I have no employees, do I still qualify for the SBA EIDL Program?**

Yes!

**Do I need to be turned down by another lender to qualify for an SBA economic injury loan?**

No, there is no requirement that you are denied funding from another organization.

**What types of businesses are eligible for an SBA economic injury loan?**

Any legal structure can apply provided that they are a small business by the SBA standards, as for what industries typically most businesses can apply expect for a few exceptions such as Religious organizations, Charitable organizations, Gambling concerns (i.e., businesses that derive more than 1/3 of their annual gross revenue from legal gambling activities), and farms.



## Maryland Grant & Loan Fund FAQ

[Maryland Grant/Loan FAQ](#) (Live link to Commerce Dept FAQ)

**NO LONGER ACCEPTING APPLICATIONS**

Links to both applications are found in our [Funding Section](#)

### How can I check the status of my application?

**FROM MD COMMERCE: status of your Maryland Loan and Grant program applications  
(as of 4/7/20 at 1 pm):**

“Applicants, who have not already done so should complete the next step in the process - to create an account with Maryland OneStop. Take a moment to sign up for a OneStop account. They should make sure to use the same email address that was used in their original application. Their application will be linked up to their account and they will be notified. Once in the OneStop, applicants will be able to see the status of their application in their dashboard and receive updates.”

### Can Sole Proprietors and Single Member LLCs Apply

Eligible entities include: C-Corp, LLC, sole proprietorship, joint venture, local government, general partnership limited partnership, S-Corp, and LLP. These entities must meet other requirements of the program, one of which is that applicants must have employees on their payroll for whom they have had payroll taxes withheld. If the employees are independent contractors and therefore not covered by unemployment insurance, the business is not eligible.

### The application says I must be in “Good Standing” with the state, how can I check that?

You can search for your businesses status on [Maryland Business Express](#) by typing in your businesses name and clicking on it from the list shown. **IT IS HIGHLY SUGGESTED THAT YOU CHECK YOUR STATUS BEFORE APPLYING** and make any changes needed.

### Do I need to apply for the loan in order to get the grant?

While you do not HAVE to apply for both, it is highly recommended that you apply for both.

### If my employees are part time do they still count as a full employee?

Yes, the application is looking for a total number of W2 employees regardless of the hours they work.

**Do I include 1099s as employees in the application?**

No, you will only want to include W2 employees.

**I have more specific questions who can help answer those?**

For more information about this COVID-19 grant fund, send an email to the Commerce COVID-19 Team Assistance at [fpaaworkflowcoordinator.commerce@maryland.gov](mailto:fpaaworkflowcoordinator.commerce@maryland.gov).

**Can seasonal businesses apply?**

Yes!

# Paycheck Protection Program FAQ

[Federal Guidelines; SBA Guidance](#)

**Program to resume 4/27/2020 at 10:30 AM with some changes:**

[How to set up the PPP in your books](#)

## What changes were made to the program?

Changes are listed below:

- ALL CHANGES ARE RETROACTIVE
- Hedge Funds and Private Equity funds are no longer eligible. (speculation based business)
- If a business has funders (VC or PE) they should be careful as they must certify "[c]urrent economic uncertainty makes this loan request necessary to support the ongoing operations of the Applicant"
- As noted above a safe harbor provision was added. All businesses applying must sign a promissory note that they need the funds and do not have access to those funds through "other means" (commercial paper market). They must attest that "[c]urrent economic uncertainty makes this loan request necessary to support the ongoing operations of the Applicant"
  - If a business has access to funds and took PPP funds they must repay the money by May 7th, the government will be making examples of businesses
- Hospitals can no longer apply for PPP funding if over 50% of their funding comes from a governmental body.
- ESOP's can apply (could before just cleared up language)
- If a business is in bankruptcy they cannot apply for the PPP

## How can I make sure that the PPP is forgiven?

While there is no exact guidance that we can recommend banks have begun to release some best practices, they are listed below:

- **Open a separate bank account for the funds:** This will ensure that there is no commingling of funds and no confusion that the money was spent on an approved purpose.
- **Make sure you understand what is an approved expense:**
  - Certain payroll costs which can include certain retirement plan contributions and group health premiums paid by the employer
  - Mortgage interest payments (cannot be used for principle or prepayments.

- Rent payments for a lease starting before February 15th.
- Utility payments with suppliers entered into prior to February 15th.
- Interest payments on any other debt obligation
- Refinancing an SBA EIDL made between January 31 and April 3 2020.
- **Plan on getting the most out of the program:** The 8 week clock starts ticking once the funds have been distributed, so make sure you have your staff on payroll as reductions in staff will reduce the forgivability.
- **Maintain good records of substantial expenses:** Things like rent and utilities may be easy to separate out, but various aspects of payroll may be more complicated. Be consistent how you document each aspect of the expenses.
- **Consider the effects of salary reduction:** If an employee making over 100K has their salary reduced by over 25% there will be a corresponding reduction in forgivability. Unless that reduction is rectified by June 30th. (There are exceptions that rule for high salaried employees)
- **Consider the effect of full time employee reduction:** Terminating employees or reducing staff levels will create a corresponding reduction in forgivability. This is calculated using the following:
  - This reduction is calculated by multiplying the loan forgiveness amount by the quotient of: the average FTE's during the 8-week loan period divided by the average FTEs during one of two possible time periods to be chosen by the business owner (1) February 15, 2019 through June 30, 2019; and (2) January 1, 2020 through February 29, 2020. Note that seasonal businesses may only use the former time period.
  - Note: The loan forgiveness amount will not be curtailed by a reduction of FTEs in limited circumstances.
- If you are self-employed, write out a physical check as payroll to yourself each week—do not just transfer funds between accounts or withdraw cash.

## Where can I apply?

You can apply through any existing SBA 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. [Approved PPP Lenders](#). The application is [available here](#).

Is my bank participating? [Find out here](#).

[How much can I qualify for?](#)

If your bank is not participating you may want to look into the following:



- [Kabbage](#)
- [Veem](#)
- [Gusto's Crowd Sourced List](#)
- [Biz2Credit](#)
- [Lendio](#)
- [Fundra](#)

### When can I apply?

**While you can start to apply on April 3rd it is unclear if lenders will be ready to begin taking applications and processing these loans on April 3rd. Check with your lender for details.**

- **Starting April 3, 2020**, small businesses and sole proprietorships can apply for and receive loans to cover their payroll and other certain expenses through existing SBA lenders.
- **Starting April 10, 2020**, independent contractors and self-employed individuals can apply for and receive loans to cover their payroll and other certain expenses through existing SBA lenders.

**Other regulated lenders will be available to make these loans as soon as they are approved and enrolled in the program.**

### What do I need to apply?

You will need to complete the Paycheck Protection Program loan application and submit the application with the required documentation (see below) to an approved lender that is available to process your application by June 30, 2020. Click [HERE](#) for the application.

### I applied with multiple banks will my application be thrown out?

SBA is tracking ALL applications by EIN. If applicant submits PPP applications through two or more lenders, the SBA WILL ACCEPT THE FIRST ONE RECEIVED via the eTran system - then will automatically REJECT any other applications using that EIN (thus NOT processed at all).

**Will a borrower's PPP loan forgiveness amount (pursuant to section 1106 of the CARES Act and SBA's implementing rules and guidance) be reduced if the borrower laid off an employee, offered to rehire the same employee, but the employee declined the offer?**

Answer: No. As an exercise of the Administrator's and the Secretary's authority under Section 1106(d)(6) of the CARES Act to prescribe regulations granting de minimis exemptions from the Act's limits on loan forgiveness, SBA and Treasury intend to issue an interim final rule excluding laid-off employees whom the borrower offered to rehire (for the same salary/wages and same number of hours) from the CARES Act's loan forgiveness reduction calculation. The interim final rule will specify that, to qualify for this exception, the borrower must have made a good

faith, written offer of rehire, and the employee's rejection of that offer must be documented by the borrower. Employees and employers should be aware that employees who reject offers of re-employment may forfeit eligibility for continued unemployment compensation.

### **What if my bank is not taking applications?**

If your bank/lender is not participating in the program it is important to keep an open dialogue with them as this is a fluid situation and they may begin taking applications at a later date, while you can reach out to a different lender most are only working with existing customers.

### **What other documents will I need to include in my application?**

You will need to provide your lender with payroll documentation, each lender may have different requirements, [see an example of needed documentation here](#).

### **GOOD FAITH CERTIFICATION THAT - (part 2t)**

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)

### **PAYROLL DOCUMENTS – (part 2a)**

- These can be payroll processor records, payroll tax filings, or Form 1099MISC, or income and expenses from a sole proprietorship.
- For borrowers that do not have any such documentation, the borrower must provide other supporting documentation, such as bank records, sufficient to demonstrate the qualifying payroll amount.

### **What amount will be forgiven?**

#### **The loan amounts will be forgiven as long as:**

The loan proceeds are used to cover payroll costs, and most mortgage interest, rent, and utility costs over the 8 week period after the loan is made; and Employee and compensation levels are maintained. Payroll costs are capped at \$100,000 on an annualized basis for each employee. Due to likely high subscription, it is anticipated that not more than 25% of the forgiven amount may be for non-payroll costs. Loan payments will be deferred for 6 months.

### **Do I need to first look for other funds before applying to this program?**

No. We are waiving the usual SBA requirement that you try to obtain some or all of the loan funds from other sources (i.e., we are waiving the Credit Elsewhere requirement).

### **How long will this program last?**

Although the program is open until June 30, 2020, we encourage you to apply as quickly as you can because there is a funding cap and lenders need time to process your loan.

### **Are owner distributions included?**

A "distribution" is reported on a K-1 and is different than paying yourself from net income. A distribution is NOT eligible. However, if it is a K-1, it matters how they reported on a K-1. **If it is reported on K-1 as self-employment earnings, box 14 of the K-1, then it is eligible.** Box 14 of a K-1 is self-employment earnings and is eligible.

### **Special Consideration for owners making over \$100,000 a year.**

In the [SBA guidance](#) it says (p.11) payroll costs including salary, wages, and tips, up to \$100,000 of annualized pay per employee (for eight weeks, a maximum of \$15,385 per individual).

So, if you are a sole proprietor and the only "employee" of the company, the MAX (not all may be qualified for the max pending on 2019 returns) you can take is \$15,385 which needs to be 75% of the loan amount in order to be forgiven. So \$20,500 is the max loan amount they could request.

Loan forgiveness is based on payroll accounting for 75% of the LOAN AMOUNT.

### **How many loans can I take out under this program?**

Only one. Having multiple lenders submit a loan application to the government on your behalf will trigger a fraud alert.

### **What can I use these loans for?**

- Payroll costs, costs related to the continuation of group health care benefits during periods of paid sick, medical, or family leave, and insurance premiums.
- Mortgage interest payments (not mortgage prepayments or principal payments), Rent, Utilities
- Interest payments on any other debt obligations that were incurred before February 15, 2020
- Refinancing an SBA EIDL loan made between January 31, 2020 and April 3, 2020.

## What counts as payroll costs?

### DETERMINING PAYROLL: (part 2f)

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

### EXCLUDED PAYROLL COSTS (part 2g)

- 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
- Payroll taxes, railroad retirement taxes, and income taxes
- Any compensation of an employee whose principal place of residence is outside of the United States
- 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

## DO NOT COUNT INDEPENDENT CONTRACTORS

### How large can my loan be?

Loans can be for up to two months of your average monthly payroll costs from the last year plus an additional 25% of that amount. That amount is subject to a \$10 million cap. If you are a seasonal or new business, you will use different applicable time periods for your calculation. Payroll costs will be capped at \$100,000 annualized for each employee.

### How much of my loan will be forgiven?

You will owe money when your loan is due if you use the loan amount for anything other than payroll costs, mortgage interest, rent, and utilities payments over the 8 weeks after getting the loan. Due to likely high subscription, it is anticipated that not more than 25% of the forgiven amount may be for non-payroll costs. You will also owe money if you do not maintain your staff and payroll.

**Number of Staff:** Your loan forgiveness will be reduced if you decrease your full-time employee headcount.

**Level of Payroll:** Your loan forgiveness will also be reduced if you decrease salaries and wages by more than 25% for any employee that made less than \$100,000 annualized in 2019.

### **DETERMINING LOAN AMOUNT: (part 2e)**

Step 1: Aggregate payroll costs (defined in detail below in f.) from the last twelve months for employees whose principal place of residence is the United States.

Step 2: Subtract any compensation paid to an employee in excess of an annual salary of \$100,000 and/or any amounts paid to an independent contractor or sole proprietor in excess of \$100,000 per year.

Step 3: Calculate average monthly payroll costs (divide the amount from Step 2 by 12).

Step 4: Multiply the average monthly payroll costs from Step 3 by 2.5.

Step 5: Add the outstanding amount of an Economic Injury Disaster Loan (EIDL) made between January 31, 2020 and April 3, 2020, less the amount of any “advance” under an EIDL COVID-19 loan (because it does not have to be repaid)

### **How can I request loan forgiveness?**

You can submit a request to the lender that is servicing the loan. The request will include documents that verify the number of full-time equivalent employees and pay rates, as well as the payments on eligible mortgage, lease, and utility obligations. You must certify that the documents are true and that you used the forgiveness amount to keep employees and make eligible mortgage interest, rent, and utility payments. The lender must make a decision on the forgiveness within 60 days.

### **What is my interest rate?**

1.0% fixed rate.

### **When do I need to start paying interest on my loan?**

All payments are deferred for 6 months; however, interest will continue to accrue over this period.

### **When is my loan due?**

All loans come due in 2 years after disbursement.

### **Can I pay my loan earlier than 2 years?**

Yes. There are no prepayment penalties or fees.

### **Do I need to pledge any collateral for these loans?**

No. No collateral is required.

### Do I need to personally guarantee this loan?

No. There is no personal guarantee requirement. \*\*\*However, if the proceeds are used for fraudulent purposes, the U.S. government will pursue criminal charges against you.\*\*\*

### What do I need to certify?

As part of your application, you need to certify in good faith that:

- Current economic uncertainty makes the loan necessary to support your ongoing operations.
- The funds will be used to retain workers and maintain payroll or to make mortgage, lease, and utility payments. You have not and will not receive another loan under this program.
- You will provide to the lender documentation that verifies the number of full-time equivalent employees on payroll and the dollar amounts of payroll costs, covered mortgage interest payments, covered rent payments, and covered utilities for the eight weeks after getting this loan.
- 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 25% of the forgiven amount may be for non-payroll costs.
- All the information you provided in your application and in all supporting documents and forms is true and accurate. Knowingly making a false statement to get a loan under this program is punishable by law.

### 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. For a more detailed description on how much you will be able to borrow and the calculations [click here](#).

**I'm a seasonal employer. How are average monthly payroll costs determined?**

A seasonal employer uses the average monthly payroll determined over a 12-week period beginning February 15, 2019. The business could instead elect to use a period beginning March 1, 2019, and ending June 30, 2019.

**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.

**How is the reduction in the loan forgiveness determined?**

The maximum forgiveness of the loan is reduced based upon employee retention and average pay.

The maximum loan forgiveness amount is multiplied by a fraction that measures employee retention based on the average number of full-time equivalent employees (FTEs). The borrower chooses which fraction to use. The numerator of both fractions is the average number of FTEs employed during the eight-week period. The denominator is either:

The monthly average FTEs for February 15, 2019, through June 30, 2019; or

The monthly average FTEs for January 1, 2020, through February 29, 2020.

In addition, the maximum loan forgiveness amount is further decreased if any employee's pay has declined by more than 25% during the eight-week period, relative to the most recent completed quarter (this should be the first quarter of 2020). Employees who earned an

annualized pay of more than \$100,000 during any single 2019 pay period are excluded from this computation.

In the event you had a reduction of employees during the period from February 15, 2020, through April 26, 2020, as long as you rehire those employees no later than June 30, 2020, the FTE calculation for the number in the fraction will treat those rehired employees as if they were included in the FTE for the entire 8-week period. Please note that while a delayed rehire date won't cause issues with the employee retention fraction, it may cause you to spend less than the required 75% threshold on payroll costs, and therefore would result in a reduction in the amount of loan forgiven.

Both the average reduction in FTE and reduction in pay must be restored to eliminate the reduction in loan forgiveness.

Most guidance from the SBA and U.S. Department of the Treasury has been related to matters associated with loan sizing thus far, and we expect significant guidance on the forgiveness calculations will be forthcoming.

### **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 do the \$10 million cap and affiliation rules work for franchises?**

If a franchise brand is listed on the SBA Franchise Directory, each of its franchisees that meets the applicable size standard can apply for a PPP loan. (The franchisor does not apply on behalf of its franchisees.) The \$10 million cap on PPP loans is a limit per franchisee entity, and each franchisee is limited to one PPP loan.

Franchise brands that have been denied listing on the Directory because of affiliation between franchisor and franchisee may request listing to receive PPP loans. SBA will not apply affiliation rules to a franchise brand requesting listing on the Directory to participate in the PPP, but SBA will confirm that the brand is otherwise eligible for listing on the Directory.

### **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 eligible for the PPP loan.

### **If I have applied for, or received an Economic Injury Disaster Loan (EIDL) related to COVID19 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.

### **I have already laid off my staff. Am I still eligible?**

Yes, you can still receive funding, once you are awarded the grant you can hire your staff back. (Look at how much of my loan will be forgiven to see how rehiring your staff will change calculations).

**My small business is a seasonal business whose activity increases from April to June. Considering activity from that period would be a more accurate reflection of my business's operations. However, my small business was not fully ramped up on February 15, 2020. Am I still eligible?**

In evaluating a borrower's eligibility, a lender may consider whether a seasonal borrower was in operation on February 15, 2020 or for an 8-week period between February 15, 2019 and June 30, 2019.

**What if an eligible borrower contracts with a third-party payer such as a payroll provider or a Professional Employer Organization (PEO) to process payroll and report payroll taxes?**

SBA recognizes that eligible borrowers that use PEOs or similar payroll providers are required under some state registration laws to report wage and other data on the Employer Identification Number (EIN) of the PEO or other payroll provider. In these cases, payroll documentation provided by the payroll provider that indicates the amount of wages and payroll taxes reported to the IRS by the payroll provider for the borrower's employees will be considered acceptable PPP loan payroll documentation. Relevant information from a Schedule R (Form 941), Allocation Schedule for Aggregate Form 941 Filers, attached to the PEO's or other payroll provider's Form 941, Employer's Quarterly Federal Tax Return, should be used if it is available; otherwise, the eligible borrower should obtain a statement from the payroll provider documenting the amount of wages and payroll taxes. In addition, employees of the eligible borrower will not be considered employees of the eligible borrower's payroll provider or PEO.

---

## **Employment Options and Unemployment Benefits**

The employment system is now up and running and there is a "line" system in place to prevent the system from crashing. [Landing Page Link](#) from that page you will want to click on the beacon link on the page to get your place in line.

[Questions about usernames/passwords](#)

[Beacon OneStop FAQ](#)

[Beacon Unemployment Tutorial Videos](#)

On Friday, **April 24**, the Maryland Department of Labor will be launching a new, one-stop unemployment insurance application to allow Marylanders to file claims for all

unemployment programs entirely online. This includes the Pandemic Unemployment Assistance program, the Pandemic Emergency Unemployment Compensation program, and those who were previously required to file by phone.

Starting Friday, **April 24**, those who are **self-employed, independent contractors, gig workers**, or have insufficient work history will be able to **apply online**.

For more information about these programs and other unemployment questions, visit the **[Maryland Department of Labor](#)**.

The Maryland Chamber is pleased to help promote the rollout of **[Talent Exchange](#)**, a new resource developed in response to the massive wave of layoffs and job losses occurring in the wake of the COVID-19 crisis. Employers with impacted workers and companies that are hiring to meet COVID-related demand can sign up to join the Talent Exchange to connect individuals to jobs. The tool is free of cost and was recently made available to state chambers of commerce, whose leaders are sharing the resource with their members and others in their respective states.

My employees can make more money on unemployment. What should I do?

**I am self-employed/business owner. How do I apply for unemployment?**

On 4/24/2020 Maryland will begin taking applications for **Pandemic Unemployment Assistance**.

**How long will these benefits last?**

Benefits last a maximum of 39 weeks of benefits, effective January 27, 2020 through December 31, 2020

**Who is eligible?**

Those who are self-employed, independent contractors, gig workers, sole proprietors, or have insufficient work history. These individuals who are not eligible for regular unemployment insurance (UI) and who cannot work due to COVID-19.

**How do I apply?**

- Visit [MDunemployment.com](http://MDunemployment.com) and select “Apply for Unemployment Insurance Benefits” in the left hand column. This will take you to the BEACON one-stop application page.
- The first time that you visit the application, you will need to activate your account by providing your social security number and choosing a Username and password. If you have previously applied for UI benefits in Maryland, you will need to have your UI application PIN available to validate your identity.
- Once you have activated your account, you will be able to file your PUA claim.

## What information do I need to apply?

To file a PUA claim, you will need to have the following information available, as applicable:

- Social security number;
- Date of birth;
- Alien registration number, if you are not a citizen;
- Residential and mailing address;
- Telephone number and email address;
- Name, date of birth, and social security number of all dependents under 16 years of age that you will claim, as well the same information for each dependent's other parent, such as the social security number and date of birth for any dependents that you claim;
- If you worked for the federal government, you will also need a SF-8 or SF-50 form; and
- If you are separated from military service, you will also need Form DD-214, member 4 copy.

To file your PUA claim, you will need to provide information and supporting documentation about your work and income history, which may include the following:

- Documentation of the income that you earned in 2019 (Schedule K-1, Form 1099, or summary of quarterly payments);
- All necessary licenses and permits for your self-employment; and
- Proof of an offer to begin employment that was postponed or withdrawn due to COVID-19.

## My employees are making more money on unemployment, and don't want to come back to work. What can I do?

A business can update unemployment records with the State to identify a "return to work date" for employees after the business receives the PPP Funds (or reopens). If the employee does not return to work (or allow themselves to be paid by the employer) as of that date it will be deemed as voluntary abandonment therefore the former employee will not be eligible for unemployment.

## Links to other helpful resources

**[Extension of Business Tax filing deadlines](#)**: To assist businesses affected by the economic impact of COVID-19, Comptroller Peter Franchot announced he will extend business-related tax filing deadlines to June first.

**[State Business Resources](#)**: Up to date info on Maryland's COVID-19 Business Response.

**[CDC Business Guidelines](#)**: Guidelines to help keep your customers and employees safe.

**[Latest news from the Governor's Office](#)**



[List of Essential Businesses](#)  
[Business Resources](#)  
[State FAQ](#)

[Forbes Business Funding Tracker](#): Up to date info on Federal and state funding programs.

[SBA COVID19 Guidelines](#): Official guidelines and programs from the SBA

## Funding Options

This [decision tree](#) may help you identify which program is right for you.  
SBA [Lender List](#)

### Federal PPP Reopened on 4/27/2020 at 10:30

1. [SBA Economic Injury Disaster Loan](#): Long term loans provided by the federal government. Applying to this program makes you eligible for a \$10,000 grant funable within about three days of applying.
2. [Paycheck Protection Program](#): The Paycheck Protection Program provides small businesses with funds to pay up to 8 weeks of payroll costs including benefits. Funds can also be used to pay interest on mortgages, rent, and utilities. ([Application](#)) **Updated (4/2)** [Visit the Treasury for more info](#)

[Click here](#) for a side by side comparison of these programs

3. [Small Business Debt Relief Program](#)
  - The SBA will automatically pay the principal, interest, and fees of current 7(a), 504, and microloans for a period of six months.
  - The SBA will also automatically pay the principal, interest, and fees of new 7(a), 504, and microloans issued prior to September 27, 2020.
4. [USDA Federal Rural Resource Guide](#)
  - The USDA is rolling out a number of programs to help rural based businesses which can be viewed using the link above.
5. [Federal Reserve Main Street Lending Program](#): The Federal Reserve has announced that it is establishing a Main Street Lending Program (Program) to support lending to small and medium-sized businesses that were in good financial standing before the onset of the COVID-19 pandemic. (Coming Soon, Can be applied to through your lender all FDIC insured lenders are eligible)

**Eligibility:**

- i. the business has 10,000 employees or fewer;
- ii. the business had 2019 revenues of \$2.5 billion or less
- iii. Minimum loan size of \$1,000,000

**Main Street New Loan Facility (MSNLF):**

- Loans would have a four year maturity
- principal and interest payments on the loans will be deferred for one year
- Adjustable rate of SOFR + 250-400 basis points
- Maximum loan size that is the lesser of (i) \$25 million or (ii) an amount that, when added to the Eligible Borrower's existing outstanding and committed but undrawn debt, does not exceed four times the Eligible Borrower's 2019 earnings before interest, taxes, depreciation, and amortization ("EBITDA")
- Prepayment permitted without penalty

**Main Street Expanded Loan Facility**

- 4 year maturity;
- Amortization of principal and interest deferred for one year;
- Adjustable rate of SOFR + 250-400 basis points;
- Minimum loan size of \$1 million;
- Maximum loan size that is the lesser of (i) \$150 million, (ii) 30% of the Eligible Borrower's existing outstanding and committed but undrawn bank debt, or (iii) an amount that, when added to the Eligible Borrower's existing outstanding and committed but undrawn debt, does not exceed six times the Eligible Borrower's 2019 earnings before interest, taxes, depreciation, and amortization ("EBITDA");
- Prepayment permitted without penalty.

## State

1. **COVID-19 Layoff Aversion Fund: NO LONGER ACCEPTING APPLICATIONS**  
"Designed to support businesses undergoing economic stresses due to the pandemic by preventing or minimizing the duration of unemployment resulting from layoffs. The award (up to \$50,000 per applicant), will be a quick deployable benefit and customizable to the specific needs of your business to minimize the need for layoffs."
2. **Maryland Grant Fund: NOW CLOSED** Grants up to \$10,000 for businesses with more than 1 employee and less than 50.
3. **Maryland Loan Fund: NOW CLOSED** Loans of up to \$50,000 for businesses of less than 50 employees which were established prior to March 9th 2020.
4. **Maryland COVID-19 Emergency Relief Manufacturing Fund: NOW CLOSED** This \$5 million incentive program helps Maryland manufacturers to produce personal protective equipment and other items identified as Critical Needs Items by MEMA and DGS, that are urgently needed by the State of Maryland, Maryland-based hospitals and healthcare facilities, and emergency and first responders.
5. **MARBIDCO (Maryland Agricultural & Resource Based Industry Development Corporation)** : To help Maryland's food and fiber producers, harvesters and primary

processors adjust to the business disruptions caused by COVID-19, MARBIDCO is offering loans (with a very quick turnaround time) through its new Pandemic Adjustment Loan Fund.

6. [Maryland Heritage Areas Authority \(MHAA\)](#) has developed 2 new grant opportunities:

The creation of a new type of emergency grant: COVID-19 Emergency Operating Grants for Nonprofits (guidelines attached). Nonprofit heritage tourism organizations, located within the boundaries of a certified heritage area, that have been impacted by the COVID-19 crisis are eligible to apply for grants of up to \$20,000. Applications will be accepted on a rolling basis, with all applications received by the first of each month considered as a group. The first deadline is May 1. The link to submit an application is <https://bit.ly/MHAACOVIDGrant>

**It is important to submit your application by May 1st, if possible, as there will be a finite amount of funds available which will decrease as grants are awarded unless future funds are allocated by MHAA.**

Also, if you are a nonprofit partner that has an existing MHAA grant, it may be eligible to be converted to help cover emergency COVID-19 operating costs. This is only for NONPROFITS with <https://bit.ly/MHAACOVIDGrant> unspent portions of existing grant awards. If you are interested in doing this, you can email your project monitor, or complete [this short online form](#) and MHAA will follow up with you.

## County

1. Most counties in the state are setting up their own grant and loan funds, check with your local government to see what opportunities are available. [Check out our local resources section for more details](#)

## Additional Programs

### SBA Bridge Loan

In response to the COVID-19 National Emergency, the SBA Express Bridge Loan (EBL) Pilot Program has been modified and the term extended. The EBL Pilot Program is designed to supplement the Agency's direct disaster loan capabilities and authorizes SBA Express Lenders to provide expedited SBA-guaranteed bridge loan financing on an emergency basis in amounts up to \$25,000 for disaster-related purposes to small businesses located in communities affected by Presidentially-declared disasters while those small businesses apply for and await long-term financing (including through SBA's direct Economic Injury Disaster Loan Program, if eligible).

The general eligibility requirements for the EBL are as follows:

- **For small businesses with an existing banking relationship with SBA Express lenders as of the date of the disaster.**
- Effective March 25, 2020, (announcement by publication of a notice in the Federal Register will follow), SBA expanded program eligibility to include small businesses nationwide adversely impacted under the Coronavirus Disease (COVID-19) Emergency Declaration issued by President Trump on March 13, 2020 (“COVID-19 Emergency Declaration”).
- EBL loans can only be made by SBA Express Lenders that had a valid Supplemental Loan Guaranty Agreement SBA Express Program in effect as of the date of the applicable disaster;
- EBL loans can only be made up to six months after the date of an applicable Presidential Disaster Declaration, however for the COVID-19 Emergency Declaration, EBL loans can be approved through **March 13, 2021**
- The Lender must have an existing banking relationship with the EBL applicant as of the date of the applicable disaster in order to help mitigate the risks associated with the streamlined underwriting process under the EBL Pilot Program.
- The small business must have been operational when the declared disaster commenced and must meet all other 7(a) loan eligibility requirements (credit elsewhere, size, etc.);
- All EBL applications will begin with a screening for a FICO Small Business Scoring Service Score (SBSS Score) - The minimum acceptable SBSS Score for an EBL loan applicant is 130
- Lender must obtain a personal credit score for each guarantor. The personal credit score(s) must be satisfactory under the Lender’s standards for its similarly-sized, non-SBA guaranteed commercial loans.
- The EBL loan must be structured as term loans not to exceed 7 years (**revolving lines of credit are not permitted**).
- The EBL Pilot Program follows the SBA Express interest rate policy, and SBA guaranty percentage is limited to the maximum guaranty percentage of 50% for SBA Express loans.
- EBL loans cannot be sold in SBA’s secondary market, they’re subject to the same upfront guaranty fees required for 7(a) loans of similar size and maturity
- Because the maximum amount of an EBL loan is \$25,000, SBA Express Lenders are not required to take collateral for EBL loans
- Lenders may charge an EBL applicant an application fee of 2% of the loan amount or \$250, whichever is greater.
- Prior to any disbursement of EBL loan proceeds, Lender must submit a signed IRS Form 4506-T to the Internal Revenue Service (IRS) and obtain an IRS tax transcript for the EBL applicant business for the purpose of verifying the existence of the business as of the date the applicable disaster commenced and confirming that the EBL applicant has filed required tax returns

## Small Business Debt Relief Program

This program will provide immediate relief to small businesses with non-disaster SBA loans, in particular 7(a), 504, and microloans. Under it, SBA will cover all loan payments on these SBA loans, including principal, interest, and fees, for six months (March through September). This relief will also be available to new borrowers who take out loans within six months of the President signing the bill into law.

- SBA will **automatically** (without application or request) cover all payments owed on SBA 7a, 504, and microloans for the next six months
- Payments will be **automatically** (need to confirm with a bank what this really means, functionally) deferred for the balance of the year, i.e. through December 31
- Any pre-authorized debits should be cancelled as these payments are beginning effective immediately (is my understanding) and do not require any application
  - Note: It is the responsibility of the borrower to cancel their PADs. The SBA has no capacity to act on that, and the banks likely cannot or will not

More details from the [SBA here](#)

**In accordance with section 1112(c), SBA will pay the principal, interest, and any “associated fees” that Borrowers owe on a “covered loan” in a “regular servicing status” to 7(a) Lenders and Certified Development Companies (CDCs) for a 6-month period. SBA will make these payments in accordance with the criteria and procedures described below.**

### Key Dates:

- April 16th- Lenders may begin submitting 1502 reports for 1112 loans
- April 22nd – Lenders must submit 1502 reporting for April. Must ensure ACH payment is entered to receive April's payment, and submit by the 10th every subsequent month
- April 30th- 7a lenders will receive payment from SBA by this date
- May 1st- 504 lenders will receive payment from SBA by this date if payment due date was April 1st
- September 27th- last day to disburse a loan that will receive 6 months of payments

**This notice refers to all SBA loans, not the PPP program.**

[See Senate Small Business Committee FAQ](#)

## Fast Grant

Science funding mechanisms are too slow in normal times and may be much too slow during the COVID-19 pandemic. [Fast Grants are an effort to correct this.](#)

If you are a scientist at an academic institution currently working on a COVID-19 related project and in need of funding, we invite you to apply for a Fast Grant. Fast Grants are \$10k to \$500k and decisions are made in under 48 hours. If we approve the grant, you'll receive payment as quickly as your university can receive it.

## Private/Nonprofit Companies: Grants

### What other Funding Options are available?

In times like this, there are two ways to think about funding, one in terms of cash coming in and one in terms of cash going out. If you know you are going to have trouble paying bills and have not yet gotten funding from a lender you'll want to begin reaching out to landlords, debtholders, suppliers, and credit card companies and let them know the situation you are in, they may be willing to work with you and it is better you tried to work with them then they have to call you to see where the rent check is. Many credit card companies have started working with business owners to offer better terms and no interest for a period of time, but you won't know until you ask. **Your creditors do not want you to go under**, this includes everyone from banks to suppliers, they will do what they can to help.

These are originally from a larger webpage on [Forbes](#).

Amazon announced a \$5 million [Neighborhood Small Business Relief Fund](#) to provide cash grants to local Seattle small businesses. From March 26 to April 30, Amazon Lending is also pausing repayment from sellers who have outstanding loans, and seller loans will not accrue interest during this time period.

### Maryland Restaurant Relief Fund

Without question, COVID-19 has put incredible stress on the restaurant industry. That's why OLD BAY, McCormick For Chefs, and CORECares have joined forces to offer support to local Maryland restaurants impacted by COVID-19. [Apply Here](#)

### US Chamber of Commerce Foundation

A grant program created for small businesses which employ between 3-20 employees. More details [here](#).

### FACEBOOK GRANTS

Facebook has announced they will be providing \$100 million in cash grants or advertising to small businesses. For more information [click here](#). They also launched the [Business Resource Hub](#), which features recommendations to help small businesses stay connected to customers and stay on track.

## **KIVA LOANS**

The nonprofit organization Kiva provides 0% interest loans to small businesses worldwide. They are expanding eligibility and the number of loans provided during this crisis. For more information, [click here](#).

## **BACARDI**

Bacardi has pledged \$3 million in relief to bars and restaurants affected by the COVID-19 shutdowns as part of its #RaiseYourSpirits campaign.

## **FATTMERCHANT**

Fattmerchant, a payment technology provider, has partnered with Gift Up! to allow its clients to sell virtual gift cards. Gift Up! is waiving its usual 3.49% fee for Fattmerchant's members' first \$5,000 in gift card sales.

## **GOFUNDME**

GoFundMe has partnered with Yelp to allow independent businesses to start fundraisers and accept donations [through Yelp's pages](#). The Yelp Foundation and GoFundMe also both pledged to donate up to \$1 million to the GoFundMe.org [Small Business Relief Fund](#).

## **JAMES BEARD FOUNDATION**

James Beard Foundation started a [Food and Beverage Industry Relief Fund](#) to provide microgrants to independent food and beverage small businesses in need.

## **JPMORGAN**

JPMorgan pledged \$50 million to help struggling customers, and [\\$8 million in aid](#) to small businesses, specifically.

## **KABBAGE**

Kabbage launched [an online hub](#) to help boost sales for U.S small businesses impacted by COVID-19, including a system through which businesses can sell gift cards to consumers for use at a later date.



## KANGAROO

Kangaroo wants to support business owners who are unable to be physically present at their offices: The security startup is offering free (for three months) [security camera and monitoring kits](#).

## MAINVEST

MainVest, a crowdfunding platform, announced its new Main Street Initiative: a [\\$2,000, 0% interest, 120-day loan](#) for restaurants or other brick-and-mortars affected by the shutdown, in addition to its normal fundraising offerings.

## OPPORTUNITY FUND

Opportunity Fund, which specializes in money lending to small businesses owned by women, immigrants and people of color, is collaborating with investors and nonprofits to put together [a coronavirus relief fund](#) that will provide grants and low-interest-rate loans to business owners in need.

## RING

Ring announced its [Neighbor Pledge](#) initiative, which encourages individuals and groups to create pledge groups to support local businesses.

## SEATED

Seated launched [a hotline](#) for restaurant owners to get advice from finance and law experts in the hospitality industry.

## RESTAURANT WORKERS' COMMUNITY FUND

The Restaurant Workers' Community Foundation formed a [COVID-19 Emergency Relief Fund](#) for small businesses and their restaurant workers, and is accepting donations.

## WEFUNDER

Wefunder, an investment crowdfunding platform, launched a [Coronavirus Crisis Loans program](#) enabling small businesses to crowdfund loans of \$20,000 to \$1 million from supporters.

## YELP

Yelp CEO Jeremy Stoppelman announced the company is providing \$25 million in coronavirus relief for independent restaurant and nightlife businesses in the form of waived advertising fees, and free advertising, products and services.

## NATIONAL RESTAURANT ASSOCIATION

Guy Fieri and the National Restaurant Association Has Launched Relief Fund to Give \$500 Checks to Restaurant Workers Affected by Coronavirus [Restaurant Employee Relief Fund](#)

# Additional Resources

## Local Resources

### Montgomery County:

Information: [Montgomery County Business Resources and Guidelines](#)

Public Health Emergency Grant Program: **CLOSED** Check the status of the program [here](#)

- Allocates \$20 million
- County businesses and nonprofits can apply for up to \$75,000
- Businesses must have 100 or fewer full time equivalent employees
- Businesses must be able to demonstrate financial hardship
- Grant funding must be used for employee benefits, wages, taxes, debt, rent and other operating losses during the public health emergency.

**Due to the overwhelming response to the Public Health Emergency Grant (PHEG) program, applications will no longer be accepted after 5 pm on Saturday, April 25, 2020**

### Teleworking Grant:

- \$250,000 grant program includes micro grant funding for local businesses and nonprofits
- \$2,5000 to purchase teleworking equipment and technology to support teleworking capabilities during the COVID19 emergency.

[MCEDC Manufacturing Grant](#)

### **Allegany County**

The Allegany County Board of Commissioners announced Thursday the creation of a fund to award grants to small businesses impacted by the coronavirus threat. Titled the COVID-19 Small Business Assistance Fund, the program makes available \$2,500 grants to qualifying small businesses with no repayment. Information and Application [here](#).

### **Washington County**

The City of Hagerstown has modified and increased the amount of money in its “Spring Sprout Grant”. <https://www.hagerstownmd.org/695/Spring-Sprout-Grants>

### **Prince George’s County**

[Matrix of various funding opportunities available to county businesses](#)

### **Charles County**

Charles County Government has created the COVID-19 Business Relief Fund to help local businesses during this national crisis. Under this program, eligible businesses can apply for loans up to \$5000 with deferred repayment. For more information and eligibility, [click here](#).

### **Carroll County**

Westminster, MD, Tuesday, April 7, 2020 - The Carroll County Board of Commissioners voted on March 31st to pursue the establishment of a \$500,000 Carroll County Small Business COVID-19 Emergency Relief Fund, to offer working capital to assist Carroll County small businesses with disrupted operations due to COVID-19. The Carroll County Department of Economic Development worked with the Comptroller, County Attorney and the Industrial Development Authority to establish the fund. The application portal will open **April 7, 2020 at 5:00 PM**.

**Businesses must apply online at <http://carrollbiz.org/> and meet the following conditions to be considered for the \$1,250 grant:**

- Businesses must have been established prior to March 5, 2020 and have between 2-25 full-time employees at that time
- Business must have a Carroll County location and be in good standing with the State of Maryland and Carroll County
- Eligible uses include working capital to support payroll, rent, mortgage payments, utility expenses or other similar expense that occur in the ordinary course of business operations

The following uses are not eligible for funding:

- Non-profits
- Medical service providers

- Home-based businesses: A home-based business is defined as a business that is located in a residence with no other physical location.

The following information is necessary to complete the application:

- Federal Tax ID # (EIN)
- Maryland Department of Assessment and Taxation Department ID #
- Number of full-time (FTE) employees prior to March 5, 2020
- Business mailing address and description
- Purpose of the request

Applications will be considered on a first-come, first-served basis with the application portal opening (4/7) at 5:00 p.m. at <http://carrollbiz.org/>. Once the applicants are verified and approved, pending funding availability, the applicant will receive the grant check via the mail.

## Baltimore

Mayor Young, Goldman Sachs, and Lendistry Announce Multi-Million Dollar Stimulus Program for Local Businesses \$10 million Small Business Stimulus Program Fund to provide emergency forgivable loans to help Baltimore's small businesses endure COVID-19 economic crisis. See the press release [here](#). Apply [here](#).

### **Mayor Young Announces Multi-Million Dollar Aid Package for Baltimore's Small Businesses**

***Initiative Establishes a \$5.5 Million Fund to assist local businesses, and creates a COVID-19 Small Business Task Force to focus on Baltimore's re-opening and continued recovery***

Mayor Bernard C. "Jack" Young announced the COVID-19 Small Business Assistance Initiative, which establishes the COVID-19 Small Business Task Force, a public-private partnership, and a \$5.5 million fund to provide financial assistance to small businesses, as well as other resources and guidelines to help businesses reopen, without compromising public health, once the State of Emergency is lifted.

The \$5.5 million fund will be administered by the Baltimore Development Corporation (BDC) in the following manner:

- **Manufacturing and Procurement of Personal Protective Equipment (PPE):** As an expansion of BDC and Made In Baltimore's initial grant program, \$500,000 will be allocated to provide grants to Baltimore makers and manufacturers producing PPE and for the city to purchase PPE from these manufacturers for our first responders and front line employees.
- **Neighborhood Business Reopening Initiative:** BDC will oversee efforts to develop and implement designs to reconfigure public right of way and public spaces to maximize outdoor seating and other business needs to provide ways to create more social distancing in Main Streets, and Retail Business License Districts (RBDLs) and certain commercial districts. This \$1.5 million initiative may include the use of parklets, public information graphics & signage, and design elements to encourage people to patronize local businesses in a manner consistent with public health best practices.
- **Small Business Assistance Fund:** BDC will administer a \$3.5 million grant fund on behalf of Baltimore City to provide financial assistance to small business enterprises (SBE) in certain commercial areas. Businesses may apply for up to \$15,000 in grants for expenses such as rent, payroll and purchase of PPE that may be necessary as they plan to reopen. A portion of this fund will be set aside for businesses, which have been unable to qualify for federal aid. SBEs will be required to complete an application to request funding and provide necessary documentation.

**For more information on eligibility and how to apply will be available, click [here](#) by May 4, 2020.**

**For more information regarding other business resources related to the COVID-19 outbreak, click [here](#)**

## **OSHA Resources and Information**

The U.S. Occupational Safety and Health Administration (OSHA) has information to help employers address the coronavirus pandemic, including:

- **[Guidance on Preparing Workplaces for COVID-19](#):** a booklet about COVID-19 and the workplace, with steps employers can take in different types of workplaces.

- [Preventing Worker Exposure to \(COVID-19\)](#)
- [Additional Resources suggested by OSHA](#)

To see all of the COVID-19 information available from OSHA, [click here](#).

## Facebook for Business Tips and Resources

The Facebook for Business website has tips and resources to help small businesses deal with business interruptions such as the coronavirus pandemic, including:

- Ideas for staying in touch with customers, using online resources such as email, your website and your Facebook page.
- Hosting virtual, online events such as webinars, in place of in-person events.
- Preparing a list of Frequently Asked Questions (FAQs) about how your business is operating during the pandemic.
- Business Resilience Toolkit – a booklet about preparing for a business interruption, and creating a resiliency plan.
- Small Business Resilience Quick Action Guide
- Online courses about how to communicate with customers and provide customer support during business disruptions.

To see all of the Facebook for Business tips and resources, [click here](#).

## Intuit Quickbooks Resources and Tips

The Intuit Quickbooks website has resources and tips about what you can do to address the coronavirus pandemic, including:

- Financial preparedness tips
- Workplace prevention tips
- Suggestions for hosting events
- Best practices for remote work
- Boosting employee morale
- Guidance for protecting your business and employees during the pandemic

For all of Intuit Quickbooks' tips and resources, [click here](#).

## Google Tools and Tips

Google's help center has suggestions for businesses affected by the coronavirus pandemic, regarding updates to their business information on Google My Business, including:

- Changing your business hours if necessary

- Adding information about how your business has been affected and what steps you're taking
- Creating a post
- Updating your phone number if necessary

To see all of Google's update suggestions, [click here](#).

Learn about Google's [Remote Work hub](#), with tips about running online meetings, collaborating on documents remotely, and more.

---

## Small Business Tax Provisions

### Employee Retention Credit for Employers Subject to Closure or Experiencing Economic Hardship

This provision would provide a refundable payroll tax credit for 50 percent of wages paid by eligible employers to certain employees during the COVID-19 crisis. The credit is available to employers, including non-profits, whose operations have been fully or partially suspended as a result of a government order limiting commerce, travel or group meetings. The credit is also provided to employers who have experienced a greater than 50 percent reduction in quarterly receipts, measured on a year-over-year basis.

Wages of employees who are furloughed or face reduced hours as a result of their employer's closure or economic hardship are eligible for the credit. For employers with 100 or fewer full time employees, all employee wages are eligible, regardless of whether an employee is furloughed. The credit is provided for wages and compensation, including health benefits, and is provided for the first \$10,000 in wages and compensation paid by the employer to an eligible employee. Wages do not include those taken into account for purposes of the payroll credits for required paid sick leave or required paid family leave, nor for wages taken into account for the employer credit for paid family and medical leave (IRC sec. 45S).

- **The credit is not available to employers receiving assistance through the Paycheck Protection Program. The credit is provided through December 31, 2020.**

### **Delay of Payment of Employer Payroll Taxes**

This provision would allow taxpayers to defer paying the employer portion of certain payroll taxes through the end of 2020, with all 2020 deferred amounts due in two equal installments, one at the end of 2021, the other at the end of 2022. Payroll taxes that can be deferred include the employer portion of FICA taxes, the employer and employee representative portion of



Railroad Retirement taxes (that are attributable to the employer FICA rate), and half of SECA tax liability.

- **Deferral is not provided to employers receiving assistance through the Paycheck Protection Program.**

### **COVID-19-Related Tax Credits for Required Paid Leave Provided by Small and Midsize Businesses**

The Families First Coronavirus Response Act (the "FFCRA"), signed by President Trump on March 18, 2020, provides small and midsize employers refundable tax credits that reimburse them, dollar-for-dollar, for the cost of providing paid sick and family leave wages to their employees for leave related to COVID-19.

- **View more details [here](#)**