COVID-19 FEDERAL “CARES ACT”
KEY RESOURCES FOR
INDIVIDUALS AND BUSINESSES

Nassau County Executive Laura Curran
April 3, 2020
COVID-19 FEDERAL “CARES ACT”
KEY RESOURCES FOR RESIDENTS & BUSINESSES

- Resources for Individuals:
  - Stimulus checks
  - Unemployment

- Resources for Small Businesses:
  - Paycheck Protection Program
  - Economic Injury Disaster Loans
Checks will come automatically to eligible individuals. There is **no need to apply**

- Identified via social security number or tax return
  - Must have an eligible social security number to qualify
- Must earn **less than $99,000 for an individual or $198,000 for a couple** to qualify
STIMULUS CHECKS

- **Individuals**
  - Earning $75,000 annually or less = payment of $1,200
  - Earning $75,000 to $99,000 annually:
    - Payment of $1,200 by $5 per $100 of income

- **Couples**
  - Earning $150,000 annually or less = payment of $2,400
  - Earning between $150,000 and $198,000, similar incremental decreases in the payments
  - Additional $500 for each dependent, for those who qualify
Go beyond existing unemployment benefits to individuals, subsidizing state benefits with an additional $600 per week for four months

For temporary lay-offs or furloughs

No waiting periods

Sole proprietors, contractors and gig workers are eligible

Applications can be backdated to when unemployment began

Under a furlough, employees can remain on company health insurance while collecting benefits

Get more info/apply through NYS at https://www.labor.ny.gov/unemploymentassistance.shtm
RESOURCES FOR BUSINESSES
PAYCHECK PROTECTION PROGRAM

- New loan program for small businesses
- Available starting 4.3.20
- Businesses with less than 500 employees are eligible
- Loan program guaranteed by the Small Business Administration, which pays bank fees for originating the loan
- Waives some credit provisions
- All or part of the loan can be forgiven
PAYCHECK PROTECTION PROGRAM

- A loan will be provided based on **2.5 times the average monthly payroll expenses for 2019**.
- Up to $10 million loan to cover certain business costs including employee payroll, rent, insurance, paid sick or medical leave, interest on mortgage obligations and utilities.
  - Only payroll up to $100,000 annually for any employee or contractor can be counted toward the loan calculation.
  - Cannot count sick or family leave time for which credit is allowed under the Families First Coronavirus Response Act.
- Payroll will need to be proven, likely with IRS 941 payroll reports.
PAYCHECK PROTECTION PROGRAM

- **Loan Forgiveness:**
  - All or part of the loan may be forgiven based on the expenses of the business for an 8-week period between **Feb 15 and June 30, 2020**
  - The forgiveness will be based on payroll, qualifying contractor payments, payroll expenses, rent, utilities and mortgage interest
  - At least 75% of the forgiveness amount must be for payroll related expenses
  - Forgiveness will be reduced by the same percentage full time equivalent headcount declines, or if salaries and wages decrease by more than 25%. You will have until June 30, 2020 to rehire
  - If the initial loan amount exceeds forgiveness amount it converts to a **term loan (2 years @ 1%)**
PAYCHECK PROTECTION PROGRAM

- How to Apply:
  - Beginning April 3, 2020 for businesses and sole proprietorships
  - Beginning April 10, 2020 for contractors and self-employed individuals
  - Apply through SBA lenders: [https://www.sba.gov/paycheckprotection/find](https://www.sba.gov/paycheckprotection/find)
  - Helpful info, including full Federal regulations: [www.esd.gov](http://www.esd.gov)
PAYCHECK PROTECTION PROGRAM

- Loans are only available directly through participating banks and lending institutions.
- If you already have a business account with a participating lender, contact them directly to begin the application process.
- As funds will be distributed on a first-come, first-served basis, apply as early as possible!
- Additional information for new borrowers or those looking for a lender:
- For a list of required documents to help prepare your application:
ECONOMIC INJURY DISASTER LOANS (EIDL)

- New SBA program offers loans for small businesses & non-profits
- Loan up to $2M at interest rate of 3.75% for business, 2.75% for non-profits
- Repayment term up to 30 years
- May include an advance of up to $10,000
- Easier to qualify for than traditional SBA loans
- Can be used for working capital and other expenses
- Apply through the SBA at: https://covid19relief.sba.gov/#/

- Note: a business can apply for both EIDL and PPP but cannot use the funds for the same purpose
New York Small Business Development Centers: Provide small business owners and entrepreneurs in New York with the highest quality, confidential business counseling, training, and business research at no cost. [http://nysbdc.org/](http://nysbdc.org/)

Entrepreneurship Assistance Centers: Provide instruction, training, technical assistance and support services to new and aspiring entrepreneurs in local communities statewide. [https://esd.ny.gov/sites/default/files/EAC%20Contact%20List.pdf](https://esd.ny.gov/sites/default/files/EAC%20Contact%20List.pdf)

Community Development Financial Institutions: Local financial service providers with locations throughout New York; often the sole provider of banking and other financial services in communities that are not served by traditional banks and financial institutions. [https://esd.ny.gov/sites/default/files/CDFI%20List.pdf](https://esd.ny.gov/sites/default/files/CDFI%20List.pdf)

Other useful information: [www.esd.ny.gov](http://www.esd.ny.gov)