

Source: U.S. Small Business Administration AZ District Office, Treasury.gov, and USDA

EIDL Advance program closed on July 11


\$20 Billion in EIDL Advances was awarded to small businesses and non-profits.
50,130 Arizona businesses have received \$2.743 billion in EIDL loans as of July 26.

July 27, 2020

**SBA Disaster Assistance Update
Nationwide EIDL Loans / COVID-19**

Loans Approved		2,985,286		Dollars Approved		\$163,818,412,028	
STATE	APPROVED	DOLLARS	STATE	APPROVED	DOLLARS		
Alabama	36,387	\$ 1,689,213,530	Kansas	15,919	\$ 932,306,249		
Alaska	6,707	\$ 402,339,900	Kentucky	20,639	\$ 1,092,997,400		
Arkansas	17,520	\$ 872,554,819	Louisiana	55,425	\$ 2,740,168,500		
Arizona	50,130	\$ 2,743,289,012	Maine	9,200	\$ 533,626,900		
California	469,484	\$ 29,697,072,596	Maryland	51,551	\$ 2,794,778,800		
Colorado	47,834	\$ 2,780,780,248	Massachusetts	50,138	\$ 3,037,365,300		
Connecticut	29,129	\$ 1,807,692,500	Michigan	68,916	\$ 3,759,115,037		
Delaware	7,640	\$ 429,415,400	Minnesota	35,107	\$ 2,031,308,341		
Florida	351,220	\$ 16,261,683,635	Mississippi	24,802	\$ 1,074,307,601		
Georgia	140,764	\$ 6,303,111,954	Missouri	34,641	\$ 1,794,450,000		
Hawaii	16,382	\$ 895,936,600	Montana	8,825	\$ 486,895,100		
Idaho	10,605	\$ 594,510,800	Nebraska	12,205	\$ 725,524,444		
Illinois	116,417	\$ 5,859,142,373	Nevada	32,466	\$ 1,827,663,280		
Indiana	32,862	\$ 1,707,728,405	New Hampshire	9,681	\$ 598,696,850		
Iowa	14,296	\$ 884,430,850	New Jersey	98,089	\$ 5,975,104,204		

Figures as of 7/26/20 ²



EIDL applications are still available for all small businesses

EIDL is to be used for working capital | 30-year fixed at 3.75% | expires 9/30/2020

Non-profit rate is 30 years fixed at 2.75%

Apply at: <https://covid19relief.sba.gov/#/>

PPP APPLICATION DEADLINE EXTENDED TO AUGUST 8

\$128+ BB still available for PPP loans to help small businesses

84,042 AZ small businesses have received \$8.630 Billion in PPP funds

- Extends the deadline to apply for a PPP loan to **AUGUST 8** from June 30.
- Extends the PPP loan forgiveness period to include costs incurred **over 24 weeks** after a loan is issued **or through Dec. 31**, whichever comes first. Businesses that received a loan before the measure is enacted could keep the current eight-week period.
- **Extends to Dec. 31 from June 30** a period in which loans can be forgiven if businesses restore staffing or salary levels that were previously reduced. The provision would apply to worker and wage reductions made from Feb. 15 through 30 days after enactment of the CARES Act, which was signed into law on March 27.
- Maintains forgiveness amounts for companies that document their inability to rehire workers employed as of Feb. 15, and their inability to find similarly qualified workers by the end of the year. Under the modified measure, companies can still qualify for forgiveness if they show that they couldn't resume business levels from before Feb. 15 because they were following federal requirements for sanitization or social distancing.
- **Requires at least 60% of forgiven loan amounts to come from payroll expenses.**
- Repeals a provision from the CARES Act that barred companies with forgiven PPP loans from deferring their payroll tax payments (6.2% FICA). Employers can defer employer portion of FICA payroll tax until Dec. 31, 2021, paying 50% by Dec. 31, 2021, and another 50% by Dec. 31, 2022
- **Allows borrowers to defer principal and interest payments on PPP loans until the SBA compensates lenders for any forgiven amounts**, instead of the current six-month deferral period. **Borrowers that don't apply for forgiveness would be given at least 10 months after the program expires to start making payments.**
- **Establishes a minimum loan maturity period of five years following an application for loan forgiveness**, instead of the current two-year deadline set by the SBA. That provision will automatically apply to PPP loans issued **after June 5**. Those issued prior to June 5 may be extended to a 5-year maturity or kept at the 2-year loan maturity at the mutual agreement of the borrower and the lender.
- **Increases eligibility for convicted felons** whose conviction was 3 years ago instead of 5 years. Those convicted of fraud or financial crimes are excluded.

State	Loan Count	Net Dollars
AK	11,597	\$1,278,375,015
AL	68,568	\$6,205,676,213
AR	43,181	\$3,319,669,200
AS	259	\$11,016,204
AZ	84,042	\$8,630,069,735
CA	608,970	\$68,102,850,783
CO	107,181	\$10,357,045,284
CT	63,311	\$6,682,944,019
DC	13,103	\$2,134,443,514
DE	12,936	\$1,512,644,549
FL	418,578	\$31,923,739,302
GA	167,398	\$14,504,842,386
GU	2,185	\$191,329,582
HI	24,914	\$2,477,975,867
IA	60,256	\$5,108,066,873
ID	30,696	\$2,586,072,870
IL	212,921	\$22,538,624,359
IN	81,361	\$9,509,510,020
KS	53,079	\$5,017,971,980
KY	49,759	\$5,261,534,952

Source: treasury.gov

The PPP forgiveness application must be done through the lender that extended the PPP loan

There is no hurry to apply for forgiveness. Borrowers now have until Dec. 31, 2020 to apply. Those who do not wish to apply for forgiveness have **10 months instead of 6 months** before they must start to repay the PPP loan. We recommend taking time to prepare the required documentation before applying for loan forgiveness.

SBA will start accepting applications from lenders August 10, 2020.

Assisting applicants with PPP loan inquiries:

If applicants submitted to multiple lenders/fintech companies and can't remember who they submitted their applications to or which one approved their PPP, contact the YC SBDC (sbdc@yc.edu) to provide the following information. We will forward to the SBA to look up the application:

- Applicant full name – first, last, middle initial if used
- Applicant business name as entered in PPP application
- EIN number of the business or owner's social security number
- 10-digit SBA number received upon successful submission of application

If an applicant has applied at multiple locations and has several applications in process, they must contact the lender to cancel all except the one they want to work with. See below.

- If the applicant has an approval and doesn't wish to close and fund with that bank **they must contact that bank** and have them cancel their approval in order for another lender to obtain approval.
- If there are **duplicate approvals**, the borrower must notify the bank(s) they do not wish to work and that bank must cancel their application.
- If they **received ghost funding** or funding from a bank without notification and do not wish to proceed with that bank **they have to work out a refund with that bank.**

If a borrower wants to return the funds they received for either EIDL or PPP, they should write in the memo area of the check "**Repay EIDL Advance or EIDL or PPP funds**" and include the SBA loan number received for each loan. Mailing Address to send the check:

SBA, 721 19th St., Denver, CO 80202

USDA COVID-19 Disaster Funding for Rural Businesses

The USDA is making up to **\$1 billion** in loan guarantees to help rural businesses meet their working capital needs. This applies to businesses located in areas with less than 50,000 in population.

Qualified lenders include Federal and state-chartered banks, savings and loans, farm credit banks, credit unions.

Qualified borrowers include: for-profit, non-profit, cooperatives, federally recognized tribes, and public bodies

- Borrowers must be US citizens or reside legally in the US
- Borrowers must demonstrate that funds will remain in the US and the facility receiving funds will create new or save US jobs
- Funds may be used for conversions, enlargement, repair, modernization or development, purchase of land, development, easements, buildings, equipment, machinery, supplies, debt refinancing to improve cash flow and create jobs

See this link for more details:

<https://www.rd.usda.gov/programs-services/business-industry-loan-guarantees>

On Wednesday, July 15 at 10 am, the SBDC hosted Gary Mack and Clint Kaasa from the USDA, Leticia Scarce from Canyon Community Bank, and Jordan Blanchard, EVP with Live Oak Bank, to discuss this and the standard Business & Industry Loan Program.

The recorded webinar can be viewed [using this link](#).

AMERICA'S SBDC ARIZONA

"Special COVID-19 Funding from the USDA"

WEBINAR

July 15 @ 10am

RURAL BUSINESSES & AGRICULTURAL PRODUCERS

Business & Industry CARES Act Program

All businesses, non-profits, cooperatives, Federally-recognized tribes and public entities are eligible operating in rural areas with less than 50,000 in population.

Register Here

<https://bit.ly/USDAFunding>

AMERICA'S SBDC ARIZONA **yavapai COLLEGE** **ARIZONA** **SBA**

For more information, please contact Katherine Anderson at 928-717-7232 or katherine.anderson@yc.edu

On **August 27 at 11 am**, we are hosting a second USDA webinar focused on small farms and ranches with Clint Kaasa and Gary Mack from the USDA, Jamie Kerr from the Arizona Commerce Authority, and Dalton Dobson from Farm Credit West. More information to come.