



## COVID-19 Federal Response Webinar (March 27, 2020)

Sample of Audience Questions and Answers

### Are 501(c)(3) organizations eligible for the Paycheck Protection Program?

- No, 501(c)(3) organizations are not currently eligible for the program.

### What is the date of the comparison for number of employees in the Paycheck Protection Program?

- The 12-year period prior to February 15, 2020.

### We purchased an existing business in December 2019. Would we qualify for Economic Injury Disaster Loan (EIDL)?

- Yes, however, you would not qualify for the personal guarantee waiver and would have to personally guarantee the loan.

### If an employee was sick prior to April 1, is sick leave still covered?

- No, sick leave will only be covered for employees who get sick after April 1.

### With passage of the CARES Act today, do we know when Paycheck Protection Program loans will be available?

- Work with your banker now to understand the timeline. It is our understanding that Congress intends for these funds to be available immediately.

### Does any local bank have the capability of providing the SBA 7(a) loan under the Paycheck Protection Program?

- SBA.gov has a [loan locator tool](https://www.sba.gov/loan-locator) that will connect you with lenders who are eligible to offer these loans. You can also ask your local commercial lender if they are eligible, or encourage them to apply to become an authorized lender.

### Do outstanding IRS judgments disqualify borrowers?

- The statute is not written to disqualify borrowers with outstanding IRS judgments, but SBA guidance is forthcoming.

### What happens if we start taking losses in revenue later this year for small companies and we don't have this issue now?

- Wait for more guidance to come out on this issue. Please note that you can apply for the EIDL program through December 31, 2020 and for a loan under the Paycheck Protection Program through June 30, 2020.

### If someone has ownership in the entity, is that person's payroll excluded from loan forgiveness?

- No, but there is a cap – you only qualify for forgiveness of up to \$125,000 of an individual's salary.

### What kind of employees can you claim for the paycheck protection?

- Full-time and part-time can be claimed.