

FREQUENTLY ASKED QUESTIONS TO ASSIST SMALL BUSINESSES AND NONPROFITS IN NAVIGATING THE COVID-19 PANDEMIC

COVID-19 has been a pandemic of historic proportions, one that has required extreme public health measures, causing many individuals to stay at home and most businesses to close. Inevitably, these measures have resulted in severe and unprecedented economic hardships, especially to small businesses and nonprofits. As we all attempt to cope with the impact of the pandemic, the uncertainty faced by small businesses and nonprofits is especially acute. While there is an abundance of information being made available by both public authorities and private advisors, many people—and particularly those in smaller organizations, are simply being overwhelmed by this tidal wave of rapidly changing information.

This FAQ is intended to provide an overview of potential resources and considerations in several key areas that we believe are particularly important to small businesses and nonprofits. It addresses a number of recent legislative and regulatory developments promulgated in response to the pandemic, as well as considerations that are relevant to ongoing operations. Specifically, this FAQ covers the following topics:

- Section 1: Emergency funding options, including the recently implemented federal Paycheck Protection Program and Economic Injury Disaster Loan Program and potential federal tax-related relief.....pages 3—13.
- Section 2: Employment considerations under recent federal legislation, including the Families First Coronavirus Response Act, the Emergency Paid Sick Leave Act, and the Emergency Family and Medical Leave Expansion Actpages 14—18.
- Section 3: Mortgage and rent abatement considerations under recent federal legislationpages 19—22.
- Section 4: Contracting considerations in situations where you or your counterparty may be able to perform under contracts that were signed prior to the pandemic.....pages 23—24.
- Section 5: Insurance coverage considerations relevant to your existing policies and the impact of the pandemicpages 25—26.

At the end of this FAQ, we have also attached a checklist for applying for PPP Loans (discussed below), as well as a series of short state-specific resource guides on various issues related to the pandemic:

- Exhibit A: Paycheck Protection Program Loan Checklist
- Attachment 1: California Resources
- Attachment 2: Colorado Resources
- Attachment 3: Connecticut Resources
- Attachment 4: District of Columbia Resources
- Attachment 5: Maryland Resources
- Attachment 6: New Jersey Resources
- Attachment 7: New York Resources

- [Attachment 8: Texas Resources](#)
- [Attachment 9: Virginia Resources](#)

We hope that this information will help you navigate the many challenges we are all facing during this unprecedented time.

Please note that these materials have been prepared for general informational purposes only and are not intended as legal advice. In addition, while we have endeavored to include information that is up-to-date at the date of this document, this is a rapidly evolving situation with new governmental programs and guidance being released every day. As such, we recommend you research all of the options available to you and, if possible, consult with an attorney or local legal aid office.

Section 1. Emergency Funding Options

Due to disruptions in your business resulting from the pandemic, you may find yourself unable to pay your employees or pay other bills, or you may be concerned about your ability to make these payments in the coming months if these conditions continue. The Coronavirus Aid, Relief, and Economic Security Act (the “CARES Act”) recently passed by Congress provides for financial support to small businesses and certain nonprofits during the pandemic. This support includes the Paycheck Protection Program (“PPP”) and the Economic Injury Disaster Loan (“EIDL”) Program, which are facilitated by the Small Business Administration (“SBA”). The Q&A that follows addresses the key features of the PPP and the EIDL loan programs, as well as certain additional options for potential financial support and assistance. For additional information relevant to mortgage and rent obligations and concerns about avoiding foreclosure or eviction, see [Section 3](#) below, which discusses “Mortgage and Rent Abatement Considerations.”

PPP Loans

Q: What is the purpose of the PPP loan program?

A: To alleviate the economic impact of the pandemic on individuals and businesses, Congress passed the CARES Act on March 27, 2020. The legislation provides economic assistance to small businesses and nonprofit organizations in part through PPP loan program, which provides loans to support small businesses and other eligible entities to pay workers, interest on mortgage obligations, rent, insurance, paid sick or medical leave, utilities, and payroll-related costs incurred from February 15, 2020—June 30, 2020. Depending on how much a business or organization borrows and how it uses the funding, all of the loan (or a portion of it) may be forgiven.

Q: What type of businesses and entities are eligible for a PPP loan?

A: As a general matter, a business is eligible to apply for a PPP loan if it (i) was in operation on February 15, 2020,¹ (ii) had employees for whom it paid salaries and payroll taxes (or paid independent contractors as reported on a Form 1099-MISC), and (iii) fits under one of the following four categories:

1. It is a “small business concern”² that satisfies the SBA’s revenue-based size standard corresponding to its primary industry;³ or

¹ For a seasonal employer that may not have been operating on February 15, 2020, it is permitted to confirm eligibility if it was in operation for at least an 8-week period between February 15, 2019 and June 30, 2019.

² “Small business concern” is defined in section 3 of the Small Business Act ([here](#)). Generally, a “small business concern” is (i) organized for profit, (ii) has a place of business in the U.S., (iii) operates primarily in the U.S. or makes a significant contribution to the U.S. economy through payment of taxes or use of American products, materials or labor, (iv) is independently owned and operated, and (v) is not dominant in its field on a national basis.

³ The SBA size standards can be found [here](#)—see “Size standards in millions of dollars”.

2. It is a “small business concern”⁴ that, as of March 27, 2020, has (i) a maximum tangible net worth of not more than \$15 million and (ii) average net income after federal income taxes (excluding any carry-over losses) for the two prior full fiscal years of not more than \$5 million; or
3. It is a business, 501(c)(3) tax-exempt nonprofit, 501(c)(19) tax-exempt veterans organization or tribal business concern that has no more than 500 employees⁵ whose principal place of residence is in the United States; or
4. It is a business, 501(c)(3) tax-exempt nonprofit, 501(c)(19) tax-exempt veterans organization or tribal business concern that meets the SBA employee-based size standards for the industry in which it operates.⁶

Note that sole proprietorships, independent contractors and self-employed individuals are generally eligible for PPP Loans so long as they meet the other eligibility criteria.

Calculating Financial Information. If you are trying to calculate your total revenues for purposes of determining your eligibility under **category 1**, or your maximum tangible net worth or average net income for purposes of determining your eligibility under **category 2**, you should keep the following in mind:

- If you are “affiliated” with another organization, you will have to include your *affiliate’s* financial information in your calculations as well. The SBA’s affiliation rules are rather complicated, but as a general matter, entities are considered “affiliates” when one controls or has the power to control the other.⁷

Calculating Total Employees. If you are trying to calculate your total number of employees for purposes of determining your eligibility under **category 3** or **category 4** above, you should keep the following in mind:

- Each of your employees (whether full or part-time) whose principal place of residence is in the United States should be counted. Volunteers and independent contractors should not be counted.
- In addition, if you are “affiliated” with another organization, you will have to include your *affiliate’s* employees in your total employee count as well. As noted above, the SBA’s affiliation rules are rather complicated, but as a general matter, entities are considered “affiliates” when one controls or has the power to control the other.⁸

Affiliation Waiver. The affiliation rules do *not* apply to (i) businesses that have an NAICS code beginning with 72 (i.e. hotel and food services industries); (ii) businesses operating

⁴ See [footnote 2](#) above for the definition of “small business concern”.

⁵ Additionally, a business concern that has an NAICS code beginning with 72 (i.e. hotel and food services industries) and employs no more than 500 employees *per physical location* is eligible.

⁶ The SBA size standards can be found [here](#)—see “Size standards in number of employees”.

⁷ Note that “control” is not limited to possession of majority ownership. See the SBA’s publication dated April 3, 2020 entitled “Affiliation Rules Applicable to U.S. Small Business Administration Paycheck Protection Program” ([here](#)) for more guidance on the affiliation rules. See also Gibson, Dunn & Crutcher LLP’s publication dated April 9, 2020 entitled “Analysis of Small Business Administration Memorandum on Affiliation Rules and FAQs on Paycheck Protection Program” ([here](#)).

⁸ See [footnote 7](#) above for more information on “control” and the affiliation rules.

as franchises that are assigned a franchise identifier code by the SBA; (iii) businesses that receive financial assistance from a small business investment company; or (iv) religious organizations if their relationship with an entity is based on a religious teaching or belief or otherwise constitutes a part of the exercise of religion (e.g., an individual Catholic church with less than 500 employees is eligible notwithstanding its association with the Catholic church more generally).⁹

Q: How much funding can I receive under the PPP loan program?

A: Generally, the maximum loan amount is the lesser of (i) \$10 million and (ii) 2.5 times your average permissible monthly payroll costs incurred during the year prior to the loan date. The calculation of ‘permissible payroll costs’ is complicated, and it includes alternative measurement procedures for seasonal employers. For instance, any amounts paid to independent contractors and sole proprietors should not be included when calculating an employer’s payroll costs, since such persons are themselves eligible for a PPP loan. Free PPP payroll calculators can be accessed on AICPA’s resource page ([here](#)). Note that you cannot obtain more than one PPP loan.

Q: What can I use a PPP loan for?

A: You must use at least 75% of the proceeds to cover payroll costs (i.e. compensation and benefits for your employees (but excluding compensation to any employee that exceeds \$100,000 per year)), and the remainder to cover interest on mortgages, rent and utilities.

Q: Can my PPP loan be forgiven?

A: Yes, subject to certain conditions. Your entire PPP loan could be forgiven if you (i) use the proceeds during the eight weeks following receipt of the loan to pay the allowable costs described above (e.g., qualifying payroll costs, interest on mortgages, rent and utilities), with no more than 25% of the proceeds covering non-payroll costs; and (ii) maintain staff and compensation levels or, if applicable, rehire staff and restore compensation levels by June 30, 2020. Otherwise, the loan forgiveness amount will be reduced accordingly, and you will owe the ineligible portion once the loan becomes due. You do not have to pay taxes on any portion of your PPP loan that is forgiven.

Q: If my PPP loan (or a portion) is not forgiven, what are the loan terms?

A: Under the SBA's Interim Final Rule ([here](#)), PPP loans have a term of 2 years and an interest rate of 1.0%. Payments are deferred for six months, but interest will continue to accrue during the deferment.

⁹ For additional information about the eligibility of religious organizations, see the SBA’s publication dated April 3, 2020 entitled “Frequently Asked Questions Regarding Participation of Faith-Based Organizations in the Paycheck Protection Program (PPP) and the Economic Injury Disaster Loan Program (EIDL)” ([here](#)).

Q: How do I apply for a PPP loan? What is the deadline to apply to the program?

A: You may apply now by (i) completing the four-page application form on the Treasury Department's website ([here](#)) and (ii) applying through a SBA-certified lender or through a federally insured depository institution, federally insured credit union, or Farm Credit System institution that is participating in the PPP loan program. Use the following resources to contact a SBA-certified lender to see if they are participating:

- SBA's search tool to find a participating lender by zip code ([here](#))
- SBA's list of 100 most active SBA 7(a) lenders ([here](#))

If you need help with your application, the SBA has 68 District Offices and works with a number of local partners to counsel, mentor and train small businesses. You can search the SBA's Local Assistance Directory ([here](#)).

Some banks and other lenders may have their own limitations and policies applicable to PPP loan requests. They also may require additional information not required by the PPP loan application. You should be sure to check with your potential lender when applying.

Remember, **PPP loans are available on a first-come, first-served basis through June 30, 2020, or until the funds are exhausted.** The initial PPP funding was \$349 billion, but **at the time of this writing, this initial funding amount had been exhausted, and new PPP loan applications reportedly were not being accepted.** Prominent members of Congress have been discussing the allocation of substantial additional funding to the PPP loan program, but at the time of this writing Democrats and Republicans had not reached agreement on such additional funding as part of an additional COVID-19 relief legislation package. If you are interested in a PPP loan but have not yet applied, you should consider confirming your eligibility, completing an application and speaking with your bank (or other eligible loan provider) as soon as possible, so that you will be prepared to submit an application immediately after additional funds are allocated to the PPP loan program and new applications are again being accepted.

Q: What else should I know about applying for a PPP loan?

A: On the PPP loan application, the applicant and each 20% or greater owner must certify, among other things, that: (i) the loan is necessary to support ongoing operations; and (ii) the applicant will not receive another PPP loan during the period beginning February 15, 2020 and ending on December 31, 2020. All applicants and each 20% or greater owner also must certify that they understand that the federal government may pursue criminal fraud charges if funds are used for purposes other than to retain workers and maintain payroll or make mortgage, lease, and utility payments.

Q: Where can I find more information on the PPP loan program?

A: The following additional resources may be helpful to you:

- The Treasury Department’s webpage ([here](#)) provides the latest, updated resources, including the Information Sheet for Borrowers ([here](#)) and a Frequently Asked Questions Document ([here](#)).
- The following publications by Gibson, Dunn & Crutcher LLP:
 - Article entitled “Senate Advances the CARES Act, the Largest Stimulus Package in History, to Stabilize the Economic Sector During the Coronavirus Pandemic” dated March 26, 2020 ([here](#)).
 - Article entitled “SBA ‘Paycheck Protection’ Loan Program under the CARES Act” dated March 27, 2020 ([here](#)).
 - Article entitled “Small Business Administration and Department of Treasury Publish Paycheck Protection Program Loan Application Form and Instructions to Help Businesses Keep Workforce Employed” dated April 1, 2020 ([here](#)).
 - Article entitled “Small Business Administration Issues Interim Final Rule and Final Application Form for Paycheck Protection Program” dated April 3, 2020 ([here](#)).
 - Article entitled “Treasury and Fed Release High-Level Terms of Main Street and Paycheck Protection Lending Facilities” dated April 3, 2020 ([here](#)).
 - Article entitled “Analysis of Small Business Administration Memorandum on Affiliation Rules and FAQs on Paycheck Protection Program” dated April 9, 2020 ([here](#)).
 - Step-by-step checklist on how to determine your eligibility for a PPP loan, apply for a PPP loan, and determine your maximum PPP loan forgiveness (*see* [Exhibit A](#)).

EIDL Program

Q: *What is the purpose of the EIDL loan program?*

A: The EIDL loan program is a longstanding program that provides up to \$2 million per applicant in low-interest loans to small businesses or private nonprofit organizations that suffer substantial economic injury as a result of a declared disaster. Under the CARES Act, small businesses that apply for EIDL loans due to the pandemic can also request an advance (up to \$10,000)¹⁰ which does not have to be repaid even if you are ultimately denied for the rest of the EIDL loan. Unlike the PPP loans, EIDL loans are not forgivable (other than the aforementioned advance).

¹⁰ The advance amount granted is determined by the number of employees the business has, since there is a \$1,000 cap per employee with a maximum grant of \$10,000. For example, if your business has three employees, you would only be eligible to receive an advance of \$3,000. Note that there have been some discussions among Congress regarding removing the \$1,000 cap per employee; however, at the time of this writing, the cap still applied.

Q: What type of businesses and entities are eligible for an EIDL loan?

A: The CARES Act relaxed some of the eligibility of EIDL loans. Under the CARES Act, a business is generally eligible to apply for an EIDL loan if it (i) was in operation on January 31, 2020, (ii) has suffered a substantial economic injury due to the pandemic, and (iii) fits under one of the following four categories:

1. It is a business that has no more than 500 employees¹¹ whose principal place of residence is in the United States; or
2. It is a business that meets the SBA employee-based size standards for the industry in which it operates;¹² or
3. It is a “private nonprofit organization”¹³ of any size.

Note that sole proprietorships, independent contractors and self-employed individuals are generally eligible for EIDL loans so long as they meet the other eligibility criteria.

Like the PPP loan program, if you are “affiliated” with another organization, you will have to include your *affiliate’s* employees or revenue, as applicable, in your calculations as well. However, unlike the PPP loan program, the EIDL loan program does not have any exceptions to the affiliation rules.

Q: How much funding can I receive under the EIDL program?

A: It depends. The amount of funding available to you is keyed to the amount of your economic injury (as determined by the SBA),¹⁴ but the maximum loan amount per applicant is \$2 million.

Q: What can I use an EIDL loan for?

A: Loan proceeds may be used to cover the payment of fixed debts, payroll, accounts payable, and other bills that could have been paid had the disaster not occurred.

Q: What are the loan terms?

A: The balance of the loan can be repaid on a term of up to 30 years. The interest rate is 3.75% for small businesses and 2.75% for nonprofits. No payment is due for the first year of the loan. You can borrow up to \$200,000 without a personal guarantee, and loans

¹¹ Additionally, a business concern that has an NAICS code beginning with 72 (i.e. hotel and food services industries) and employs no more than 500 employees *per physical location* is eligible.

¹² The SBA size standards can be found [here](#)—see “Size standards in number of employees”.

¹³ “Private nonprofit organizations” includes any entity exempt under section 501(c), 501(d) or 501(e), and other religious organizations. However, organizations that are primarily engaged in lobbying or political activities are ineligible under the EIDL loan program. Uncertainty remains as to whether other types of nonprofit organizations qualify, such as social welfare organizations or trade associations.

¹⁴ Generally, the SBA will determine how much you can borrow using a formula intended to be an estimation of your operating expenses over a six-month period.

of \$25,000 or less do not require any collateral. You do *not* need to prove that you were unable to obtain credit elsewhere.

Q: If I receive an EIDL loan, can I also receive a PPP loan?

A: Yes! If you applied for or received an EIDL loan, you may still apply for a PPP loan as long as the PPP loan is not used for the same purposes. However, note that if an advance is received under the EIDL loan program, then that amount would be subtracted from the amount that could be forgiven under the PPP loan program. Applicants also may refinance an EIDL loan into a PPP loan for loan forgiveness purposes.

Q: How do I apply for an EIDL loan? What is the deadline?

A: You can apply for an EIDL loan on the SBA's website ([here](#)). Portions of the program, like the \$10,000 grants, end on December 30, 2020. The typical timeline for approval is 2-3 weeks, plus an additional five days for funding, but applicants have reported long delays due to overwhelming demand. Applicants have also reported receiving less than the full portion of the \$10,000 grant that they believed they were eligible for, again likely due to overwhelming demand.

At the time of this writing, this initial funding amount had been exhausted, and new EIDL loan applications reportedly were not being accepted. Congress has been discussing the allocation of additional funding to the EIDL loan program, but at the time of this writing Democrats and Republicans had not reached agreement on such additional funding as part of an additional COVID-19 relief legislation package. If you are interested in an EIDL loan but have not yet applied, you should consider confirming your eligibility, completing an application and speaking with your bank (or other eligible loan provider) as soon as possible, so that you will be prepared to submit an application immediately after additional funds are allocated to the EIDL loan program and new applications are again being accepted.

Q: Where can I find more information on the EIDL loan program?

A: For additional information, please contact the SBA Disaster Assistance Customer Service Center at (800) 659-2955 or visit their website ([here](#)).

Other Potential Funding Options

Q: I am a for profit business or nonprofit that has more than 500 employees and do not fall within the size exceptions of the PPP loan program. Do I have any other funding options?

A: Yes. Under Title IV of the CARES Act, the Treasury Department has recently announced additional funding options for mid-size organizations. While the full details and application process of such funds have not yet been released, below is a brief synopsis of what we currently know about them.

- Developing Mid-Size Business Loan Program:
 - This is a fund that has been set aside for eligible businesses, including nonprofit organizations, with between 500 and 10,000 employees.
 - Loans will be charged a maximum interest rate of 2% and would not accrue interest or require repayments for the first six months. Loan forgiveness will not be available for this type of loan.
 - To be eligible, a borrower must certify, among other things, that it (i) will retain at least 90% of its workforce at full compensation and benefits until September 30, 2020 and (ii) intends to restore at least 90% of its February 1, 2020 workforce and all compensation and benefits within four months after the current crisis.
 - “Nonprofit organizations” is not defined for purposes of this mid-size business lending program, so it is unclear whether nonprofits other than those exempt under section 501(c)(3) are eligible.
- Main Street Loan Facilities:
 - The Main Street Loan Facilities consist of two programs: (i) the Main Street New Loan Facility (“MSNLF”) that applies to new loans and (ii) the Main Street Expanded Loan Facility (“MSELF”) that applies to upsized tranches on top of existing loans.
 - Each program loans to small and mid-sized businesses (i) with no more than 10,000 employees or that earned no more than \$2.5 billion in 2019 annual revenue and (ii) that are created or organized in the United States or under the laws of the United States with significant operations in and a majority of its employees based in the United States.
 - While the minimum amount loaned under each program will be \$1 million, the maximum loan sizes differ under the MSNLF and MSELF.¹⁵ The loan has a four-year term, and payments will be deferred for one year.
 - To be eligible, a borrower must certify, among other things, that it (i) will make reasonable efforts to maintain its payroll and retain its employees during the loan term and (ii) will not use the loan proceeds to repay other loan balances.
 - You may only participate in either the MSNLF or the MSELF (not both). If you received a loan under the PPP loan program, you can still participate in the MSNLF or the MSELF.
 - It is currently unclear as to whether nonprofit organizations will be eligible to receive these loans.

Note that there are additional facilities established under Section 13(3) of the Federal Reserve Act that were recently expanded in size and scope and that your organization may be eligible to receive. Such facilities include the Primary Market Corporate Credit Facility, the Secondary Market Corporate Credit Facility, and the Terms Asset-Backed Lending Facility. For more information

¹⁵ For more information on the maximum loan amounts and the programs, see Gibson Dunn & Crutcher LLP’s publication dated April 3, 2020 entitled “Treasury and Fed Release High-Level Terms of Main Street and Paycheck Protection Lending Facilities” ([here](#)) and Lexology’s publication from April 19, 2020 ([here](#), see table marked “Maximum Loan Amount”).

on these facilities, please refer to the following publications by Gibson, Dunn & Crutcher LLP: (i) article entitled “Emergency Lending Round 2: Primary Market Corporate Credit Facility, Secondary Market Corporate Credit Facility, Term Asset-Backed Lending Facility and Expansion of Other Programs” dated March 24, 2020 ([here](#)) and (ii) article entitled “Emergency Lending: Federal Reserve Expands Primary Market Corporate Credit Facility, Secondary Market Corporate Credit Facility and Term Asset-Backed Lending Facility” dated April 9, 2020 ([here](#)).

Q: *Are there any other forms of financial relief available to small businesses and nonprofits?*

A: Yes. For example, the following sites provide multi-state/national emergency grants, funds, and financial assistance for which you may be eligible:

- GrantSpace by Candid (for nonprofits, small businesses, individuals, and artists) ([here](#))
- Americans for the Arts (for artists, theaters, and other arts-related organizations) ([here](#), scroll to “Relief Funds and Financial Assistance”)

There are also various state and local programs that offer financial assistance to organizations that serve and/or are located in a state or specific local area (such as a city or county). These state and local programs are changing constantly, as announced programs run out of funds (which are sometimes replenished) and as new programs are added. We have provided information on a number of current state and local program for certain states in the state-specific documents attached to this FAQ document.

Federal Tax Relief

Q: *Are there any tax credits available?*

A: Yes. The CARES Act creates an employee retention tax credit of up to \$5,000 for each employee on the payroll. Eligible businesses, which includes all tax-exempt section 501(c) organizations, must have been in operation during 2020, and either (i) had its operations fully or partially suspended due to a pandemic shut-down order or (ii) experienced a drop in gross receipts of at least 50% compared to the same quarter in the prior year. For tax-exempt organizations, the entity’s whole operations must be taken into account when determining the decline in gross receipts.

The availability of the credit would continue each quarter until the organization recovers to 80% of gross receipts relative to the same quarter in the prior year. Employers receiving a PPP loan would not be eligible for these credits. For more information, see the IRS’s FAQ page ([here](#)).

Q: *Are there any tax deductions available?*

A: Yes, the CARES Act provides numerous tax deductions, including the deductions further discussed below:

- Charitable Contribution Incentive:
 - Provides a new above-the-line deduction (universal or non-itemized deduction that applies to all taxpayers) for up to \$300 for “qualified contributions.”
 - Ø “Qualified Contributions” are cash contributions made to public or private charities, excluding private non-operating foundations, supporting organizations, and donor-advised funds.
 - Lifts existing cap on annual contributions for those who itemize, raising it from 60% to 100% of adjusted gross income. For corporations, the annual limit was raised from 10% to 25%. For donations of food inventory, the limitation was raised from 15% to 25%.
 - Incentive applies to contributions made in 2020 to be claimed on next year’s tax forms.
- Modification of Rules Regarding Business Losses:
 - The CARES Act modifies the Internal Revenue Code provisions applicable to net operating losses (“NOLs”) in two significant respects:
 - Ø First, it modifies carry-back rules so that a taxpayer may carry back NOLs from tax years beginning in 2018, 2019, or 2020 up to five years. However, this carry-back right is subject to certain limitations and special rules relating to income from non-U.S. operations, if applicable. In addition, real estate investment trusts (“REITs”) will not be able to carry back losses, and losses may not be carried back to any REIT year (regardless of whether the taxpayer incurring the loss is currently a REIT).
 - Ø Second, for taxable years beginning before January 1, 2021, the CARES Act removes the limitation on NOLs that prevents taxpayers from offsetting in excess of 80% of a taxpayer’s current taxable income, temporarily allowing NOLs to offset up to 100% of a taxpayer’s current taxable income.
 - The CARES Act also modifies the excess business loss limitation applicable to noncorporate taxpayers for 2018, 2019, and 2020, which limited the ability to offset business losses against other income to \$250,000, by temporarily allowing such business losses to offset up to 100% of other taxable income.
- Modifications of Limitations on Deductibility of Business Interest Expenses:
 - The CARES Act temporarily increases the deduction limitation of business interest expenses from 30% of the taxpayer’s adjusted taxable income (“ATI”) to 50% for tax years beginning in 2019 and 2020.
 - Further, taxpayers may elect to use their 2019 ATI in place of their 2020 ATI for purposes of determining business interest deductibility in 2020. Note that there are special rules applicable for partnerships, so if your small business is taxed as a partnership for federal income tax purposes, you should consult with your tax advisor.

Q: *As an employer, can I defer any tax payments?*

A: Yes, you may defer both federal income tax payments and filings that would have been due on April 15, 2020 until July 15, 2020, without any penalties or interest and regardless of the amount owed. Many other states have already started to or are expected to mirror this federal extension.

Additionally, you may defer payment of your share of Social Security tax on wages paid from March 27, 2020 through December 31, 2020. Half of the deferred amount will become due on December 31, 2021, and the remainder on December 31, 2022.

For more information on tax relief provisions, please see Gibson, Dunn & Crutcher LLP's publication dated March 27, 2020 entitled "Tax Relief in the CARES Act" ([here](#)).

Section 2. Employment Considerations

EMERGENCY PAID SICK LEAVE & EXPANDED FMLA REQUIREMENTS

The pandemic has left many employees unable to work and many employers uncertain regarding what leave they are required to provide their employees under quickly evolving laws. The Families First Coronavirus Response Act (the “FFCRA”) requires certain employers to provide employees who are affected by the pandemic with paid sick leave under the Emergency Paid Sick Leave Act as well as expanded family and medical leave under the FMLA Expansion Act. For more information regarding the FFCRA and the provisions discussed below, please see Gibson, Dunn & Crutcher LLP’s publication dated April 2, 2020 entitled “Department of Labor Issues Temporary Regulations for Families First Coronavirus Response Act” ([here](#)).

Q: How do I know if I am an employer covered by the FFCRA?

A: The FFCRA covers private employers with fewer than 500 employees. The U.S. Department of Labor (“DOL”) guidance ([here](#)) will help you assess which workers count for purposes of the 500 employee cap. However, small businesses, including nonprofits, with fewer than 50 employees may be exempt from the paid leave requirements if the employee seeks to use such leave to care for a child whose school or place of care is closed and compliance would jeopardize the viability of the business. The DOL guidance ([here](#)) will help you assess whether you qualify for this exemption.

Q: Do I have to provide emergency paid sick leave or paid FMLA leave if my employees are not able to work because I have decided to close my business or am required to do so by a shelter in place order?

A: No. If you close or cancel work shifts, neither the emergency paid sick leave nor paid FMLA leave requirement of the FFCRA will apply, as they are available only to employees who are not working due to specified reasons (which we discuss below). This is true whether you close for lack of business or because you are required to close pursuant to a federal, state, or local directive (such as a shelter in place order).

Q: Will I receive a tax credit for the emergency paid sick leave or paid FMLA?

A: Yes. If you are a covered employer under the FFCRA, you are entitled to a 100% refundable tax credit, which will allow you to receive full reimbursement for qualified leave regardless of your actual tax liability. Details regarding the reimbursement process are available on the IRS’s website ([here](#)).

Q: Do I need to inform employees of their rights under the FFCRA?

A: Yes. If you are a covered employer, you are required to post a notice of the FFCRA requirements in a conspicuous place on your premises. Acknowledging that many businesses are currently closed, you also can satisfy this requirement by mailing the notice

to current employees and providing online notice. For more information on this notice requirement, visit the DOL's webpage ([here](#)).

Emergency Paid Sick Leave Act

Q: Under what circumstances is an employee who is unable to work entitled to paid sick leave under the Emergency Paid Sick Leave Act?

A: Employees are entitled to paid sick leave when unable to work for specified pandemic-related reasons including if the employee is: (i) subject to a government-mandated quarantine or isolation order; (ii) subject to a health provider order to self-isolate due to pandemic-related concerns; (iii) experiencing symptoms of COVID-19 and seeking a medical diagnosis; (iv) caring for an individual subject to a quarantine/isolation order by the government or a health care provider; (v) caring for a son or daughter whose school or place of care is closed because of the pandemic; or (vi) experiencing any other “substantially similar condition.”

Q: How much paid leave must I provide an employee under the Emergency Paid Sick Leave Act? At what rate of pay must I provide paid sick leave?

A: Full-time employees are entitled to a maximum of 80 hours and part-time employees are entitled to a number of hours equal to the number of hours that the employee normally works over a two-week period. Full wage replacement is required for self-care reasons, with a maximum required benefit of \$511 per day and \$5,110 total. Two-thirds wage replacement is required if the employee is caring for another individual or child whose school has closed, with a maximum required benefit of \$200 per day and \$2,000 total, but in the case of child-care-related absences, the FMLA Expansion Act (discussed below) may come into play.

The Emergency Family and Medical Leave Expansion Act **(the “FMLA Expansion Act”)**

Q: How much job-protected leave am I required to provide an employee under the FMLA Expansion Act, and under what circumstances is an employee entitled to it?

A: Under the FMLA Expansion Act, you are required to provide up to 12 weeks of leave for employees unable to work who need to care for a son or daughter whose school or place of care is closed or whose child care provider is unavailable because of the pandemic.

Q: How much am I required to pay my employee on leave under the FMLA Expansion Act?

A: The first two weeks of leave may be unpaid (although employees may be eligible for paid sick leave during this time), but the employee must receive two-thirds of their regular wages for the remaining 10 weeks, with a maximum required benefit of \$200 a day and \$10,000 total.

EXPANDED UNEMPLOYMENT BENEFITS & TAX-FAVORED FINANCIAL ASSISTANCE TO EMPLOYEES

Amid the economic uncertainty caused by the pandemic, you are likely dealing with decisions regarding layoffs and furloughs, and you are undoubtedly concerned for your employees' financial well-being. The CARES Act includes various provisions increasing and expanding unemployment insurance benefits available to workers, including individuals who are unemployed, partially unemployed, or unable to work due to the pandemic. Additionally, there are tax-favored financial assistance options for you to consider providing to your employees.

Q: *I am concerned about the well-being of my employees who may lose their jobs due to the pandemic. What unemployment benefits are available to them?*

A: You should first note that each state administers a separate unemployment insurance program which generally governs eligibility for unemployment insurance, benefit amounts and length of time benefits are available. We have provided state-specific information for certain states in the documents attached to this FAQ. However, the CARES Act provides for expanded unemployment benefits to employees who lose their job due to the pandemic. These additional benefits will be administered by the states but are funded at the federal level and include:

- An extra \$600 weekly payment, in addition to the weekly benefit amount an eligible employee otherwise receives under state law through July 31, 2020, and
- An additional 13 weeks of unemployment benefits through 2020 for individuals who have exhausted benefits they are otherwise entitled to under state law. These additional 13 weeks of benefits will be paid at the same weekly rate the individual is otherwise eligible to receive under applicable state law.

Additionally, states must offer flexibility in the eligibility requirement that unemployed individuals be "actively seeking work" if they are unable to search for work because of the pandemic.

For more information on these expanded benefits, please see the article ([here](#)) dated April 1, 2020 entitled "COVID-19: Recent Changes to Unemployment – What Employers Need to Know." To apply for unemployment benefits, direct your employees to CareerOneStop's webpage ([here](#)).

Q: *I will be reducing the wages and hours of my employees. Will unemployment benefits be available to them?*

A: Maybe. An employee whose hours are reduced may be eligible for partial unemployment benefits under state law. An employee whose hours are reduced may also have access to unemployment benefits if your state has a short-time compensation program ("STC"). STC or "work share" programs are administered by state unemployment agencies in order to avert layoffs by providing a partial STC or work share benefit in proportion to an employee's reduced hours, even if the employee does not qualify under a particular state's unemployment insurance eligibility rules. Under the CARES Act,

individuals receiving partial unemployment benefits or benefits under an approved STC or work share program also are eligible for the additional \$600 weekly payment described above. The CARES Act also provides incentives for states to implement STC or work share programs through additional funding. Accordingly, your first step should be to check to see whether your state has an STC or work share program.

Q: After my employee is laid off, will they be subject to a waiting period for unemployment benefits?

A: Likely not. While the CARES Act does not waive state-law waiting periods, it heavily incentivizes states that ordinarily have one-week waiting periods to waive the requirement by reimbursing states for the full amount of unemployment benefits paid to individuals during their first week of unemployment. Still, it is important for you and your employee to review the rules in your applicable state, as well as any recent orders or guidance related to waiting periods.

Q: I am a self-funded nonprofit. Will I be reimbursed for unemployment benefits paid to my employees?

A: The CARES Act reimburses nonprofits that have opted out of the state unemployment system for 50% of the amount paid for unemployment benefits from March 13, 2020 through December 31, 2020. For more information on self-funded nonprofits and unemployment, visit the National Council of Nonprofits' webpage ([here](#)).

Q: I am a religious organization that is exempt from unemployment laws. Are my employees eligible for unemployment benefits?

A: No. Employees of charitable organizations that are exempt from unemployment laws are not eligible to receive unemployment benefits. These exempt organizations include houses of worship, religious organizations that are affiliated with houses of worship, religious schools, and nonprofits with fewer than four employees who work during 20 weeks of the year.

Q: I want to help my employees affected by the pandemic. Is there any tax-favored financial assistance I can provide?

A: Yes. You can provide qualified disaster payments in the form of direct financial assistance to employees affected by the pandemic that will not be treated as income/wages to the employees, and that you should be able to deduct as business expenses. There is no ceiling on the amount of assistance that may be provided to an employee so long as it is for "reasonable and necessary" expenses resulting from the pandemic and it is not for an expense reimbursable by the employee's insurance. Examples of reasonable and necessary expenses may include unreimbursed medical expenses including co-pays, deductibles, and supplements, increased childcare expenses, expenses associated with setting up or maintaining a home office, and alternative commuting means in lieu of mass transit. For additional information on qualified disaster payments, please see BDO USA's article dated

March 2020 entitled “Employers Can Immediately Provide Tax-Free Qualified Disaster Payments to Employees in Connection with COVID-19” ([here](#)).

Other forms of assistance that may be provided to employees who incur financial hardship due to the pandemic include employee leave transfer programs, employer-sponsored charitable organizations, and charitable donations to a donor-advised fund. For more information on tax-favored financial assistance, please see Gibson, Dunn & Crutcher LLP’s publication dated March 25, 2020, entitled “Tax-Favored Financial and Other Assistance to Employees in the Face of COVID-19” ([here](#)).

Section 3. Mortgage and Rent Abatement Considerations

Due to disruptions in your business resulting from the pandemic, you may find yourself unable to pay your mortgage and/or rent, or you may be concerned about your ability to make these payments in the coming months if these disruptions continue. Below is a discussion of some federal programs that may provide relief, along with other information about engaging with your lender or landlord.

Q: My mortgage is backed by the federal government. What happens if I stop making payments? Will the lender foreclose on my home?

A: Pursuant to the CARES Act, the U.S. federal government has issued a moratorium on foreclosures and foreclosure-related evictions for owners of residential real property (property designed for occupancy by one to four families) covered by a federally backed mortgage. As such, if your loan is backed by the federal government, then your loan servicer cannot foreclose on your loan, and similarly it cannot evict you from the property for foreclosure-related reasons, for at least 60 days (beginning from March 18, 2020). Note that the CARES Act does not include a similar foreclosure moratorium with respect to property covered by a federally backed mortgage that is a multifamily property (designed for occupancy by five or more families).

If you are facing foreclosure with respect to your residential (but not multifamily) property, you should not have to do anything further to benefit from the foreclosure-related protections in the CARES Act; you should immediately benefit from the foreclosure moratorium. However, if you become subject to the initiation of foreclosure proceedings, a continuation of foreclosure proceedings, or a foreclosure-related eviction within the 60-day period beginning on March 18, 2020, then you should contact your loan servicer immediately and ask for an explanation as to why they have not stopped these activities.

Q: How do I know if I have a federally backed mortgage?

A: Keep in mind that about 70% of mortgages in the current market are federally backed, and most federally backed mortgages are owned by Fannie Mae or Freddie Mac.¹⁶ You can check to see whether your mortgage is backed by Fannie Mae ([here](#)) or by Freddie Mac ([here](#)). Your loan servicer also has an obligation to provide you, to the best of its knowledge, the name, address and telephone number of who owns your loan. However, keep in mind that your loan servicer is likely dealing with a heavy call volume during this crisis, so it may be difficult to get through.

¹⁶ Note that there are other kinds of federally backed mortgages. See “Who is eligible for homeowner assistance under this bill?” ([here](#)) for a list of the different types of federally backed mortgages.

Q: I have confirmed that I have a federally backed mortgage. Can I obtain loan forbearance? Do I need to contact my loan servicer to request a forbearance?

A: Yes! If your federally backed mortgage covers residential real property and you are suffering financial hardship directly or indirectly related to the pandemic, you can contact your loan servicer to request forbearance. (Note that in order to receive the forbearance, you must attest that you are experiencing such “financial hardship” (which is a term not defined in the CARES Act); however, you are not required to provide any back-up documentation to support this claim.) You have a right to request a forbearance on your mortgage loan payments within the covered period and for up to 180 days, and you have the right to request one extension for up to another 180 days. While the relevant section of the CARES Act does not define “covered period”, as a cautionary measure, you should follow the definition set forth in the section of the CARES Act addressing multifamily properties by making your request before the sooner of (i) the termination date of the national emergency concerning COVID-19 declared by President Trump under the National Emergencies Act or (ii) December 31, 2020.

During the forbearance period, no fees, penalties or interest will accrue on your account beyond the amounts scheduled or calculated as if you made all contractual payments on time and in full under the terms of the mortgage loan. After forbearance, you should work with your loan servicer on a permanent plan to help maintain or reduce monthly payment amounts as necessary, which could include a loan modification to restructure the underlying terms of the loan (e.g., possibly extending the term of the loan). Note that according to Fannie Mae’s guidelines ([here](#)), if your mortgage is backed by Fannie Mae, then your loan servicer is mandated to work with you on a plan.

Q: What if my federally backed mortgage covers a multifamily property?

A: You still may be able to obtain forbearance, but the terms and requirements are somewhat different from those for a residential property. To request forbearance, you must have been current on your mortgage payments as of February 1, 2020. If that’s the case, you can submit an oral or written request for forbearance to your loan servicer affirming that you are experiencing a COVID-19-related financial hardship. As noted above, the request must be made by the sooner of (i) the termination date of the national emergency concerning COVID-19 declared by President Trump under the National Emergencies Act or (ii) December 31, 2020. Upon receipt of this request, the loan servicer is required to document the financial hardship, provide the forbearance for up to 30 days, and extend the forbearance for up to two additional 30-day periods upon the request of the borrower, provided that the borrower’s request for an extension is made (i) during the period described above and (ii) at least 15 days prior to the end of the initial forbearance period. If you receive forbearance, then for the duration of that forbearance, you cannot evict tenants for nonpayment of rent nor charge tenants fees, penalties, or other charges for late rent payments.

Q: *What if my mortgage loan is not backed by a federal agency?*

A: You should contact your loan servicer to explain your situation and discuss your options. You should be able to identify your loan servicer on your monthly loan statement. Some lenders are voluntarily offering mortgage forbearance programs similar to those under the CARES Act (even though they are not legally required to), so it is possible that they can help. Your state may also be offering its own mortgage relief programs, so you should also check your state government's website for additional information.

Q: *I rent my property, and I am worried about getting evicted. What protections are available to me?*

A: If you live in a so-called "covered dwelling",¹⁷ the CARES Act provides a moratorium on evictions, and also on late fees for nonpayment of rent or other charges, for a period of 120 days (beginning on March 27, 2020). Landlords of "covered dwellings" are not allowed to issue eviction notices until after this moratorium, and they are not allowed to require a tenant to actually vacate a unit until 30 days after they give that notice to the tenant. Renters should be aware, however, that the moratorium only applies to evictions for nonpayment of rent, and not for other causes. Note that unpaid rent during this moratorium period is not being forgiven; you will be required to pay the accrued rent in full after the moratorium is over. As a renter, you do not have to do anything to benefit from this prohibition on evictions and late fees; it is automatic. However, we recommend that you let your landlord know as soon as possible that you are experiencing economic hardship due to the pandemic and, as such, you are unable to pay your rent.

Your state also may be offering its own rent and eviction relief programs, so you should also check your state government's website for additional information. We have provided state-specific information for certain states in the documents attached to this FAQ.

For more information on the CARES Act and how it can help homeowners and renters, the following resources may be helpful to you:

- House Financial Services Committee publication dated April 1, 2020 entitled "Committee Releases Answers to Frequently Asked Questions About the CARES Act" ([here](#))
- National Housing Law Project publication dated March 28, 2020 entitled "Summary and Analysis of Federal CARES Act Eviction Moratorium" ([here](#))
- Consumer Financial Protection Bureau publication dated April 6, 2020 entitled "Guide to Coronavirus Mortgage Relief Options" ([here](#))

¹⁷ "Covered dwellings" are generally rental homes that are receiving federal subsidies (e.g., public housing or Section 8 housing) or properties with a federally backed mortgage (e.g., those financed by Fannie Mae, Freddie Mac or the Federal Housing Administration). See "What is a "covered dwelling"?" ([here](#)) for a list of the different types of covered properties.

- National Consumer Law Center publication dated April 9, 2020 entitled “Major Consumer Protections Announced in Response to COVID-19” ([here](#))

Section 4. Contracting Considerations

You undoubtedly signed contracts with third parties before the pandemic, and you or your counterparty may now want or need to cancel or modify some of those contracts in light of current economic conditions, business interruptions and/or stay-at-home orders. For example, a nonprofit group may have signed various contracts for its upcoming charitable gala and may now need to cancel or delay the event due to the pandemic. The following series of questions and answers will help you address this type of situation.

Q: *I signed a contract before the pandemic, but I need to cancel in light of the pandemic. What are my options?*

A: Start by closely reviewing your contract, since every contract is different. Some key provisions to note are those discussing the right to terminate, the ability to seek damages for a breach, and so-called force majeure clauses (discussed in more detail below). You also should check to see if the contract specifies what state law governs the contract. It is important to review your contract as soon as possible, since some contracts may offer a modest (or even no) penalty if you notify the counterparty of your desire to terminate sooner rather than later. The specific terms of the contract, along with state contract law, will determine whether you can cancel without a penalty, or whether cancellation will be considered a breach of contract that could result in a claim against you for damages.

Q: *What is a force majeure clause, and how do I know if my contract has one?*

A: Every force majeure clause is different. However, as a general matter, a force majeure clause is a provision in a contract that excuses a party's performance under the contract due to an intervening event that is outside of the party's control and prevents, impedes or hinders such party's ability to perform under the contract. If you do not see the words "force majeure" in the contract, you can typically identify one by looking for references to "acts of God" or "events beyond the parties' control" (or similar language). You also should check to see if your contract specifically references pandemics, mass illnesses (or similar terms) or the adoption of laws or rules that interfere with performance of the contract.

Q: *I think that my contract has a force majeure clause. Does this mean I can cancel my contract without penalty?*

A: Maybe. Whether the force majeure clause will allow you to cancel your contract without penalty depends on a number of factors, including the specific language of your contract, the facts and circumstances surrounding why you need to cancel, and any additional requirements under the relevant state's contract laws. If at all possible, you should consult with a lawyer about these matters. Whether a force majeure clause will excuse performance under a contract requires a fact-specific analysis.

If your contract includes a force majeure clause, take note of any provisions of your contract that require you to give the counterparty notice of such force majeure event.

Failure to comply with notice requirements in your contract could seriously disadvantage you. Even if your contract does not have a notice requirement, you may want to give the counterparty notice of a possible force majeure event regardless.

You also may want to consider using a force majeure clause as a jumping-off point for discussions with the counterparty to your contract. For example, you may want to point to the provision, but note that your preference is to work together to come to a mutually agreeable solution. (For example, if your contract is for an event, you could offer to postpone your event to a later date, or indicate that you would be willing to convert your deposit to a credit with the vendor, etc.)

Q: *What if my contract does not include a force majeure clause?*

A: If your contract does not include a force majeure clause, there may be other options available to you under the state contract law that governs your contract. For example, in some states, if it is impossible for you to perform under your contract due to circumstances that you could not reasonably anticipate, your performance might be excused. Some states also will excuse—or allow you to delay—your performance if unexpected circumstances frustrate your ability to perform or make it truly impracticable.

Absent legal defenses to non-performance or delayed performance, your best option may be to start discussions with the counterparty. Explain your circumstances, and see if they are willing to work with you on a reasonable accommodation. Remember that the pandemic is affecting almost everyone in some way, and so it is quite possible that the counterparty will be looking for accommodations as well—or perhaps will simply be understanding and flexible under these extraordinary circumstances. You should also see if you have any relevant coverages under your insurance policies (such as event cancellation insurance). See the discussion of “Insurance Coverages” in [Section 5](#) below.

Q: *I have the reverse concern—I signed a contract before the pandemic, but I am worried that the other party will need to cancel in light of the pandemic. What are my options?*

A: You should undertake the same analysis as is outlined above. You should be aware that even if you are entitled to damages due to the counterparty’s termination or other breach of the contract, you may have additional obligations (such as an obligation to seek to minimize your losses flowing from such termination or breach).

Section 5. Insurance Coverage Considerations

If your small business or nonprofit organization is experiencing losses due to the pandemic, your existing insurance policies may or may not provide for coverage. Below is general advice on how to approach this complex subject.

Q: What initial steps should I take to determine if I have insurance coverage for pandemic-related losses?

A: The first step is to read your insurance policies carefully to see if there is potential coverage for pandemic-related losses. Make sure you have a full copy of your policies, including endorsements. The best practice would be to request in writing a certified copy of your policy including all endorsements from your insurer.

You also can try to contact your insurance broker for guidance; however, your insurance broker is likely dealing with a heavy call volume in light of the pandemic, so it may be difficult to get through. Do your best to maintain an open line of communication with your insurer. Assistance from a lawyer or legal aid office with expertise in insurance matters also may be helpful to you in reviewing and understanding your coverage.

Q: How can I tell if my insurance will cover pandemic-related losses?

A: This can be difficult to determine, as it will depend upon the specific language of your policies. Small businesses and nonprofit organizations may have many different types of insurance coverage (e.g., business interruption coverage, civil authority coverage, commercial general liability coverage, director and officer coverage, and event cancellation coverage). The terms of insurance policies can vary from one policy to the next, one insurer to the next and from one state to the next, so whether any particular policy that you have would be applicable to any pandemic-related losses you suffer will require a careful review of the terms of your various policies.

Q: What should I look for in my policies?

A: A key provision to look for in each of your policies is whether there are exclusions to coverage for viruses, contagious diseases, pandemics or mass illnesses (or similar terms). If your policy excludes losses arising from these types of events, then the exclusions likely will impede your ability to recover for COVID-19-related losses under such policy.

If you think you may have coverage under a given policy, keep in mind that many policies require you to mitigate your losses. This usually means that you have to use reasonable efforts to limit your losses. You should be aware that even if your policy provides coverage, your failure to mitigate losses could result in less recovery from your insurer.

Q: *I think I may have coverage under one or more of my insurance policies for pandemic-related losses. What do I do?*

A: To the extent you believe you are entitled to raise a claim under a given policy, it is important to promptly notify your insurer. It is not enough that the public is generally aware of the economic toll of the pandemic—you need to notify your insurer. You should closely read your policy to see what type of notice is required. For example, if your policy requires written notice, a phone call to the insurer is not sufficient. You must also make sure to follow the specific instructions laid out in your policy regarding filing a claim.

Be sure to preserve all records or materials that you have evidencing your losses, such as receipts, contracts, and/or proof of projected revenue. This information is important to support your claim for coverage, and may be formally requested by your insurer to aid their coverage determination.

As you navigate the process of submitting and pursuing any claims you believe are covered by your insurance, you should seek the assistance of your insurance broker and should maintain communications with your insurer. Guidance from a lawyer or legal aid office with expertise in insurance matters may also be helpful.

Please note that these materials have been prepared for general informational purposes only and are not intended as legal advice. In addition, while we have endeavored to include information that is up-to-date at the date of this document, this is a rapidly evolving situation with new governmental programs and guidance being released every day. As such, we recommend you research all of the options available to you and, if possible, consult with an attorney or local legal aid office.

Exhibit A

Paycheck Protection Program Loan Checklist

See attached.

Checklist for Participating in the SBA's Paycheck Protection Loan Program

Requirement	Notes
1. Determine Your Concern's Eligibility for a Covered Loan	
Business concerns, nonprofit organizations, veterans organizations and Tribal business are potentially eligible for a covered loan. For purposes of this checklist, we refer to each of these entities as a "concern." Any reference to "you" is a reference to a loan applicant.	"Business concern" is a for profit partnership, LLC, corporation, joint venture with under 50% participation by non-U.S. business entities, association, trust or cooperative, with a U.S. place of business that operates primarily in the U.S. or contributes to U.S. economy by paying taxes or using U.S. products, material or labor.
Sole proprietorships, independent contractors and self-employed individuals are potentially eligible for a covered loan.	See "Sole Proprietorships, Independent Contractors and Self-Employed Individuals" below.
<p>You are eligible for a covered loan if you <u>and your affiliates, collectively:</u></p> <p>(1) Meet the SBA revenue-based size standard corresponding to your industry, and otherwise satisfy existing statutory and regulatory definition of a small business concern (as defined in section 3 of the Small Business Act, 15 U.S.C. 632).</p> <p>(2) Meet the SBA's "alternative size standard" as of March 27, 2020: (I) maximum tangible net worth of the business is not more than \$15 million; and (II) the average net income after Federal income taxes (excluding any carry-over losses) of the business for the two full fiscal years before the date of the application is not more than \$5 million.</p> <p>(3) Meet the SBA employee-based size standard for your industry, or have 500 or fewer employees whose principal place of residence is in the United States.</p>	<p>Size standards available here.</p>

How do I apply the employee-based size standard?	
To determine if you are eligible for a covered loan under the employee-based size standards: Calculate (1) your concern's number of employees and (2) your concern's <u>and</u> your affiliates' (see definition below) <u>collective</u> number of employees.	To determine the number of employees, borrowers (other than seasonal and "new" borrowers) may use the average number of employees over the previous 12 months or from calendar year 2019. Alternatively, borrowers (other than seasonal and "new" borrowers) may elect to use SBA's usual calculation: the average number of employees per pay period in the 12 completed calendar months prior to the date of the loan application (or the average number of employees for each of the pay periods that the business has been operational, if it has not been operational for 12 months).
Do you and your affiliates, collectively employ either more than (I) 500 employees whose principal place of residence is in the United States or (II) if applicable, the size standard for number of employees established by the SBA for your industry? If no, you are eligible for a covered loan. If yes, you are not eligible for a covered loan <u>unless</u> you fit one of the three exceptions below for which the affiliation rules have been waived.	It is our understanding that businesses identified in 13 CFR § 120.110 as ineligible to receive SBA loans are ineligible to receive Paycheck Protection loans.
(1) You are eligible if you have a North American Industry Classification System ("NAICS") code beginning with "72" and employ not more than 500 employees per physical location, regardless of how many employees your affiliates employ.	Details on 72 NAICS Code are available here.
(2) You are eligible if you operate as a franchise that is assigned a franchise identifier code by the SBA and you employ no more than 500 employees, regardless of how many employees your affiliates employ.	SBA Franchise Directory is available here.
(3) You are eligible if you currently receive financial assistance from a small business investment company and you employ no more than 500 employees, regardless of how many employees your affiliates employ.	
Note: Independent contractors have the ability to apply for a PPP loan on their own so they are not counted for purposes of a borrower's PPP loan calculations, including whether the borrower and its affiliates have 500 or fewer employees whose principal place of residence is in the United States.	
What is an Affiliate?	
Generally, an affiliate relationship exists when a person or entity controls, or has the power to control, another entity/person or when a third party (or parties) controls or has the power to control both persons or entities. Four tests apply to PPP loans (13 CFR 121.301(f) (2019)):	SBA affiliation guide is available here (please note that 13 CFR § 121.301(f) applies to PPP loans, not § 121.103).
(1) Affiliation based on ownership. Does a person or entity own or control, or have the power to control, more than 50% of your voting stock?	
If yes, the person or entity who owns or controls, or has the power to control, more than 50% of your stock is your affiliate.	

<p>If no individual, concern or entity is found to have control, then SBA will deem you to be controlled by the Board or President or CEO (or other officers, managing members, or partners who control the management of the concern) and any business also controlled by the Board or President or CEO is presumed to be your affiliate.</p>	
<p>A minority shareholder controls you if it has the ability, under your charter, by-laws, or shareholder's agreement, to prevent a quorum or otherwise block action by the board of directors or shareholders, and any business also controlled by the minority shareholder is presumed to be your affiliate. This "negative control" exists when a minority shareholder has the power to block day-to-day operations of the borrower.</p> <p>If a minority shareholder in a business irrevocably waives or relinquishes any of these rights, the minority shareholder would no longer be an affiliate of the business (assuming no other relationship that triggers the affiliation rules).</p>	<p>Details on negative control and affiliation may be found here.</p>
<p>(2) Affiliation based on stock options, convertible securities, and agreements to merge. Have you issued stock options, convertible securities, or agreements to merge?</p>	
<p>The SBA treats stock options, convertible securities, and agreements to merge (including agreements in principle) as though the rights granted have been exercised. If these rights have been granted and they confer (if exercised) the power to control you, an affiliate relationship exists.</p>	<p>Agreements to open or continue negotiations towards the possibility of a merger or a sale of stock at some later date are not considered “agreements in principle” and are thus not given present effect.</p> <p>Options, convertible securities, and agreements that are subject to conditions precedent which are incapable of fulfillment, speculative, conjectural, or unenforceable under state or Federal law, or where the probability of the transaction (or exercise of the rights) occurring is shown to be extremely remote, are not given present effect.</p> <p>An individual, concern or other entity that controls one or more other concerns cannot use options, convertible securities, or agreements to appear to terminate such control before actually doing so. SBA will not give present effect to individuals’, concerns’, or other entities’ ability to divest all or part of their ownership interest in order to avoid a finding of affiliation.</p>
<p>(3) Affiliation based on management. Do one or more officers, directors, managing members, or general partners control your Board of Directors and/or your management?</p>	

<p>If yes, any business they control is your affiliate. Note: This could be particularly relevant for widely-held companies.</p>	
<p>Does a single individual, concern or entity control your management through a management agreement?</p>	
<p>If yes, the individual, concern or entity who controls your management is your affiliate.</p>	
<p>(4) Affiliation based on identity of interest. If an individual and his or her spouse, parent, child, sibling or spouse of such any such person, have identical or substantially identical business or economic interests (such as where they operate concerns in the same or similar industry in the same geographic area), they are presumed to be affiliates (but this presumption may be rebutted with evidence).</p>	
<p>These affiliation rules are waived if you (1) have a NAICS code beginning with "72"; (2) operate as a franchise that is assigned a franchise identifier code by the SBA; or (3) currently receive financial assistance from a small business investment company.</p>	
<p>Note: A faith-based organization is not considered an affiliate of another organization if their relationship is based on a religious teaching or belief or otherwise constitutes a part of the exercise of religion.</p>	
<p>2. Get Ready to Submit a Loan Application</p>	
<p>Confirm with your lender that it is approved to make 7(a) SBA loans.</p>	<p>A list of the 100 most active SBA 7(a) lenders is available here.</p>
<p>Prepare the following information based on the SBA's loan application (but note that your lender may also ask for additional information):</p>	<p>The SBA's application is available here.</p>
<p>Business type (Non-Profit, Veterans Organization, Tribal Organization, Independent Contractor, Self Employed);</p>	

<p>Average monthly payroll;</p>	<p>The form notes that most applicants (i.e., applicants other than seasonal employers and newly formed applicants) will use the average monthly payroll for 2019, excluding costs over \$100,000 on an annualized basis for each employee.</p> <p>This exclusion of compensation in excess of \$100,000 does not apply to non-cash benefits, including employer contributions to defined-benefit or defined-contribution retirement plans; payment for the provision of employee benefits consisting of group health care coverage, including insurance premiums; and payment of state and local taxes assessed on compensation of employees.</p> <p>As stated before, independent contractors are not included for the purposes of calculating average monthly payroll.</p>
<p>Name, Taxpayer Identification Number, and address of all owners with greater than 20% ownership stakes.</p>	<p>For the purposes of this application, the following parties are considered owners and principals of the applicant: for a sole proprietorship, the sole proprietor; for a partnership, all general partners, and all limited partners owning 20% or more of the equity of the firm; for a corporation, all owners of 20% or more of the application; for limited liability companies, all members owning 20% or more of the company; and any trustor (if the applicant is owned by a trust).</p>
<p>Prepare to Answer the Following Questions:</p>	
<p>Is the applicant or any owner of the applicant an owner of any other business, or have common management with, any other business?</p>	<p>If yes, list all business and the describe the relationship in an addendum A.</p>
<p>Has the applicant received an SBA Economic Injury Disaster Loan between January 31, 2020 and April 3, 2020?</p>	<p>If yes, provide details in an addendum B.</p>
<p>Is the United States the principal place of residence for all employees of the applicant included in the applicant's payroll calculation above?</p>	
<p>Is the applicant a franchise that is listed in the SBA Franchise Directory?</p>	
<p>Confirm that You can Certify to the Following in Your Loan Application:</p>	
<p>The applicant is eligible to receive a loan under the rules in effect at the time this application is submitted that have been issued by the Small Business Administration (SBA) implementing the Paycheck Protection Program under Division A, Title I of the Coronavirus Aid, Relief, and Economic Security Act (CARES Act) (the Paycheck Protection Program Rule).</p>	

The applicant is 1) an independent contractor, eligible, self-employed individual, or sole proprietor or 2) employs no more than the greater of 500 or employees or, if applicable, the size standard in number of employees established by the SBA in 13 C.F.R. 121.201 for the Applicant's industry.

The applicant will comply, whenever applicable, with the civil rights and other limitations in this form.

All SBA loan proceeds will be used only for business-related purposes as specified in the loan application and consistent with the Paycheck Protection Program Rule.

To the extent feasible, the applicant will purchase only American-made equipment and products.

The applicant is not engaged in any activity that is illegal under federal, state or local law.

Any loan received by the applicant under Section 7(b)(2) of the Small Business Act between January 31, 2020 and April 3, 2020 was for a purpose other than paying payroll costs and other allowable uses loans under the Paycheck Protection Program Rule.

The applicant was in operation on February 15, 2020 and had employees for whom it paid salaries and payroll taxes or paid independent contractors as reported on Form(s) 1099-MISC.

Current economic uncertainty makes this loan request necessary to support the applicant's ongoing operations.

The funds will be used to retain workers and maintain payroll or make mortgage payments, lease payments, and utility payments as specified under the Paycheck Protection Rule. The applicant understands that if the funds are knowingly used for unauthorized purposes, the federal government may hold the applicant legally liable, such as for charges of fraud.

The Applicant will provide to the Lender documentation verifying the number of full-time equivalent employees on the Applicant's payroll as well as the dollar amounts of payroll costs, covered mortgage interest payments, covered rent payments, and covered utilities for the eight-week period following this loan.

Loan forgiveness will be provided for the sum of documented payroll costs, covered mortgage interest payments, covered rent payments, and covered utilities, and not more than 25% of the forgiven amount may be for non-payroll costs.

Between February 15, 2020 and December 31, 2020, the applicant has not and will not receive amounts for another loan under the Paycheck Protection Program.

The information provided in all supporting documents and forms is true and accurate in all material respects. Knowingly making a false statement to obtain a guaranteed loan from SBA is punishable under 18 USC § 1001 and § 3571 by imprisonment of not more than five years and/or a fine of up to \$250,000; under 15 USC § 645 by imprisonment of not more than two years and/or a fine of not more than \$5,000; and, if submitted to a Federally insured institution, under 18 USC § 1014 by imprisonment of not more than thirty years and/or a fine of not more than \$1,000,000.

I acknowledge that the lender will confirm the eligible loan amount using required documents submitted. I understand, acknowledge and agree that the Lender can share any tax information that I have provided with SBA's authorized representatives, including authorized representatives of the SBA Office of Inspector General, for the purpose of compliance with SBA Loan Program Requirements and all SBA reviews.

The Loan Application will be Denied If:

The applicant, or any of its owners, are presently suspended, debarred, proposed for debarment, declared ineligible, voluntarily excluded from participation in this transaction by any Federal department of agency.

The business or any of its owners is presently involved in any bankruptcy.

The business or any of its owners (or any business owned or controlled by any of them) caused a loss to the government through a direct or guaranteed loan from SBA or any other Federal agency that is (1) currently delinquent or (2) has defaulted in the last 7 years.

Any individual or owner with 20 percent or more of the equity of the applicant is subject to criminal proceedings, such as indictment, criminal information, arraignment, or other means by which formal criminal charges are brought in any jurisdiction, or presently incarcerated, or on probation or parole. The application authorizes the SBA to request criminal record information about the applicant (if an individual or an Associate) from criminal justice agencies for the purposes of determining eligibility.

Any applicant or owner of the applicant, within the last 5 years for a felony 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).

For the purposes of the loan application, the following parties are considered owners and principals of the applicant: for a sole proprietorship, the sole proprietor; for a partnership, all general partners, and all limited partners owning 20% or more of the equity of the firm; for a corporation, all owners of 20% or more of the application; for limited liability companies, all members owning 20% or more of the company; and any trustor (if the applicant is owned by a trust).

If You are a Sole Proprietorship, Independent Contractor, or Self-Employed Individual

Gather documentation for submission necessary to establish that the individual applicant is eligible, including payroll tax filings reported to the IRS, Forms 1099-MISC, and income and expenses from the sole proprietorship.

3. Loan Terms

Determine Your Maximum Loan Amount

The maximum loan amount is the lesser of: (a) \$10 million; or (b) 250% of (i.e., 2.5x) the average total monthly payments by the applicant for "payroll costs" during the previous 12 months or from calendar year 2019.

If you were in business from February 15, 2019 to June 30, 2019:

Determine your concern's average total monthly payments for "payroll costs" incurred during the one-year period before the date the loan is made or from calendar year 2019.

The maximum loan amount is the lesser of (a) \$10 million and (b) 250% of (i.e., 2.5x) the average total monthly payments by the applicant for "payroll costs" incurred during the one-year period before the date the loan is made.

If you were not in business from February 15, 2019 to June 30, 2019:

Determine your concern's average total monthly payments for "payroll costs" from January 1, 2020 to February 29, 2020.

The maximum loan amount is the lesser of (a) \$10 million and (b) 250% of (i.e., 2.5x) the average total monthly payments by the applicant for "payroll costs" incurred from January 1, 2020 to February 29, 2020.

If you are a seasonal employer:

Determine your concern's average total monthly payments for "payroll costs" during for the period beginning February 15, 2019 or March 1, 2019, and June 30, 2019.

If you are refinancing an Economic Injury Disaster Loan (EIDL):

Add the outstanding amount of an EIDL made between January 31, 2020 and April 3, 2020, less the amount of any "advance" under an EIDL COVID-19 loan, to Loan Request as indicated on the form.

If you are a franchisee:

"**Payroll costs**" include payments for: salary, wage, commission, or similar compensation; payments for cash tips or equivalent; payments for vacation, parental, family, medical, or sick leave; allowance for dismissal or separation; payment required for the provisions of group health care benefits; payment of any retirement benefit; payment of state or local tax assessed on the compensation of employees; payments of any compensation or income of a sole proprietor or independent contractor that is an amount not more than \$100,000 in 1 year, as prorated for the covered period.

"**Payroll costs**" do not include the compensation of an individual employee in excess of an annual salary of \$100,000, as pro-rated for the covered period; compensation of an employee whose principal place of residence is outside of the United States; qualified sick leave wages or qualified family leave wages for which a credit is already allowed under the *Families First Coronavirus Response Act*; and **compensation paid to independent contractors**.

Payroll costs also do not include taxes imposed or withheld under chapters 21, 22, or 24 of the Internal Revenue Code. The SBA interprets this to mean that costs are not reduced by taxes imposed on an employee and required to be withheld by the employer, but payroll costs do not include the employer's share of payroll tax. For example, an employee who earned \$4,000 per month in gross wages, from which \$500 in federal taxes was withheld, would count as \$4,000 in payroll costs. The employee would receive \$3,500, and \$500 would be paid to the federal government. However, the employer-side federal payroll taxes imposed on the \$4,000 in wages are excluded from payroll costs under the statute.

Borrowers may use their average employment over the same time periods reflected on the left to determine their number of employees, for the purposes of applying an employee-based size standard. Alternatively, borrowers may elect to use SBA's

<p>The \$10 million limit on PPP loans is a limit per franchisee entity, and each franchisee is limited to one PPP loan. If a franchise brand is not listed on the SBA Franchise Directory due to affiliation between franchisor and franchisee, the franchise brand may request listing on the Directory to participate in the PPP.</p>	<p>... employee cases are submitted. Alternatively, concerns may elect to use the usual calculation: the average number of employees per pay period in the 12 completed calendar months prior to the date of the loan application (or the average number of employees for each of the pay periods that the business has been operational, if it has not been operational for 12 months).</p>
<p>If you are a business assigned a NAICS code beginning with 72:</p>	
<p>The \$10 million limit on PPP loans will apply to each eligible business entity. If each hotel or restaurant location indirectly owned by a parent business is directly owned by a separate legal business entity and employs not more than 500 employees, each such separate entity can apply for a separate PPP loan.</p>	
<p>Determine How You Will Use Loan Proceeds, which may Only be Used for the Allowable Uses Below (the "covered obligations")</p>	
<p>Payroll costs - Note that at least 75% of the loan proceeds must go to payroll costs.</p>	
<p>No more than 25% of loan proceeds may go towards non-payroll costs, including:</p>	
<p>Costs related to the continuation of group health care benefits during periods of paid sick, medical, or family leave, and insurance premiums</p>	
<p>Employee salaries, commissions, or similar compensation</p>	
<p>Payments of interest on any mortgage obligation</p>	
<p>Rent</p>	
<p>Utilities</p>	
<p>Interest on any other debt obligations that were incurred prior to receiving a loan</p>	
<p>Economic Injury Disaster Loans</p>	
<p>You may apply for an SBA 7(b)(2) economic injury disaster loan ("EIDL") prior to covered loans becoming available (e.g., on April 3, 2020 for small businesses), and you may be eligible for a \$10,000 grant. The EIDL can be converted into a covered loan as long as the EIDL was not for any purpose for which the covered loan may be used.</p>	
<p>4. Loan Forgiveness</p>	
<p>Determine the Maximum Amount of Loan Forgiveness</p>	
<p>Determine your concern's "payroll costs" during the covered period. At least 75% of the forgiven amount must be used for "payroll costs."</p>	
<p>"Covered period" means the 8-week period beginning on the date the lender makes the first disbursement of the PPP loan to the borrower. The lender must make the first disbursement of the loan no later than ten calendar days from the date of loan approval.</p>	
<p>Determine your concern's payment on interest on covered mortgage obligations during the covered period.</p>	

<p>"Covered mortgage obligation" means any indebtedness or debt instrument incurred in the ordinary course of business that (a) is a liability of the borrower, (b) is a mortgage on real or personal property; and (c) was incurred before February 15, 2020.</p>	
<p>Determine your concern's payments on covered rent obligations during the covered period.</p>	
<p>"Covered rent obligation" means rent obligated under a leasing agreement in force before February 15, 2020.</p>	
<p>Determine your concern's covered utility payments during the covered period.</p>	
<p>"Covered utility payments" means electricity, gas, water, transportation, telephone, or internet service for which service began before February 15, 2020.</p>	
<p>Forgiveness Amount formula: The forgiveness amount is equal to the sum of the following costs incurred and payments made during the covered period: (1) "payroll costs"; (2) payment on interest on covered mortgage obligations; (3) payments on covered rent obligations; and (4) covered utility payments (the "covered costs"). This amount may be reduced (see below).</p>	
<p>The forgiveness amount is <u>not</u> taxable income.</p>	
<p>Determine if Your Concern's Loan Forgiveness Amount Will Be Reduced</p>	
<p>Reduction Relating to Decreases in Number of Employees:</p>	
<p>If the number of your concern's employees decreases during the covered period compared to last year, your concern's loan forgiveness amount will be reduced. The amount of the reduction is determined as follows:</p>	
<p>Determine the amount of your concern's covered costs during the covered period.</p>	
<p>Determine your concern's average number of full-time employees ("FTE") per month during the covered period.</p>	
<p>Average number of FTE employees is determined by calculating the average number of FTE for each pay period falling within a month.</p>	
<p>At your election, determine your concern's average number of FTE employees per month from February 15, 2019 to June 30, 2019 <u>or</u> January 1, 2020 to February 29, 2020.</p>	
<p>If you are a seasonal employer, determine your concern's average FTE employees per month from February 15, 2019 to June 30, 2019.</p>	
<p>Reduction formula: The loan forgiveness amount is reduced by multiplying (a) the covered costs multiplied by (b) the quotient obtained by dividing (i) the average number of FTE employees per month during the covered period by (ii) at the election of the borrower, (I) the average number of FTE employees per month employed by the borrower from February 15, 2019 to June 30, 2019 or (II) the average number of FTE employees per month employed by the borrower from January 1, 2020 to February 29, 2020. For seasonal employers, the denominator is the average number of FTE employees per month from February 15, 2019 to June 30, 2019.</p>	
<p>Reduction Relating to Decreases in Salary and Wages:</p>	

If the salary and wages of your concern's employees decreases more than 25% for any employee during the covered period compared to last year, your concern's loan forgiveness amount will be reduced. The amount of the reduction is determined as follows:

Determine the total salary and wages of each employee during the covered period.

Note: "Employee" means any employee who did not receive, during any single pay period in 2019, wages or salary at an annualized rate of pay in excess of \$100,000.

Determine the total salary and wages of each employee during the most recent full quarter during which the employee was employed before the covered period.

Reduction formula: The loan forgiveness amount is reduced by the amount of any reduction in total salary or wages of any employee during the covered period that exceeds 25% of the total salary or wages of the employee during the most recent full quarter during which the employee was employed before the covered period.

An eligible recipient with tipped employees can receive forgiveness for additional wages paid to those employees.

Exemption for Re-Hires / Salary Re-instatement:

Your concern's loan forgiveness amount will not be reduced due to a reduction in number of FTE employees or salary between February 15, 2020 and April 26, 2020, if the reduction in number of FTE employees or salary is eliminated no later than June 30, 2020.

Prepare to Submit a Loan Forgiveness Application

Ask your lender for a loan forgiveness application.

Gather the following documents to submit with your loan forgiveness application:

(1) documentation verifying the number of FTE employees on payroll and pay rates for the periods described in "Determine if Your Concern's Loan Forgiveness Amount Will Be Reduced", including:

(A) payroll tax filings reported to the IRS, and

(B) State income, payroll, and unemployment insurance filings,

(2) documentation verifying payments on covered mortgage obligations, payments on covered lease obligations, and covered utility payments during the covered period including:

(A) cancelled checks,

(B) payment receipts, and

(C) transcripts of accounts,

(3) certification from a representative of the applicant that:

(A) the documentation presented is true and correct, and

(B) the amounts for which the forgiveness requested was used to retain employees, make interest payments on a covered mortgage obligation, make payments on a covered mortgage obligation, make payments on a covered rent obligation, or make covered utility payments, and

(4) any other documentation the SBA determines necessary.

No later than 60 days after receiving a loan forgiveness application, the lender must issue a decision on the application.

Remaining Balance (If Applicable)
If a covered loan has a remaining balance after the loan forgiveness, the maturity for the loan is 2 years and the interest rate is 1%.
Lenders will provide payment deferment relief, including payment of principal and interest, for not less than 6 months and not more than 1 year.
Lenders cannot impose any prepayment penalty for covered loans.

Please feel free to contact the authors of this checklist:

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California Resources

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Please note that many city and county governmental bodies, as well as private organizations, are providing additional loans, grants and other forms of relief targeted at small businesses and nonprofits. While we have summarized a number of these programs below, this list is not complete. As such, we recommend that you go online and research what programs are available in your specific area or for your specific type of business/nonprofit.

1. California Governmental Resources

- **Small Business Finance Center: California Disaster Relief Loan Guarantee Program – COVID-19** ([here](#))
 - Amount:
 - § Guarantees for loans of up to \$50,000
 - Terms:
 - § Guaranteed up to 7 years
 - § Guarantees up to 95% of loan
 - § Loan interest rates negotiated between lender and borrower
 - § Qualifications based on lender criteria
 - Uses:
 - § Continuance of business (e.g., rent, payroll) or to cure “economic injury” as a result of the COVID-19 pandemic
 - Eligibility:
 - § Small businesses located in California with 1-750 employees negatively impacted or experienced disruption by COVID-19
 - § Eligible nonprofits (while most nonprofits are eligible, some religious and charitable organizations may be excluded)

- **California Capital Access Program for Small Business (CalCAP SB)** ([here](#))
 - General:
 - § Encourages banks and other financial institutions to make loans to small businesses that have difficulty obtaining financing by creating a loan loss reserve program which may provide the lender with up to 100% coverage on certain loan defaults. A list of participating lenders can be found [here](#)
 - Amount:
 - § Maximum loan amount: \$5 million
 - § Maximum loan amount enrolled in CalCAP SB: \$2.5 million
 - Individual borrowers are limited to \$2.5 million enrolled over a 3 year period
 - Terms:
 - § Loans may be: short- or long-term, fixed or variable rates, secured or unsecured, bear any type of amortization schedule
 - § Lenders and borrowers contributed 2% - 3.5% of total loan amount to lender's CalCAP SB loan loss reserve account
 - Uses:
 - § Land acquisition
 - § Construction or renovation of buildings
 - § Start-up costs
 - § Equipment or inventory purchases
 - § Capital projects
 - § Working capital
 - Eligibility:
 - § Small businesses, including nonprofits, under U.S. Small Business Administration guidelines
 - § Less than 500 full-time equivalent employees
 - § Business purpose is one of the industries listed on the qualified Standard Industry Classification (SIC) ([here](#)) or the North American Industry Classification System ([here](#))
 - § Primary business and at least 51% of its employees or its income, sales or payroll comes from business in California
- **Small Business Relief Payment Plans** ([here](#))
 - Terms:
 - § 12-month, interest-free, payment plan for up to \$50,000 of sales and use tax liability
 - Eligibility:
 - § Small business taxpayers with less than \$5 million in taxable annual sales

2. Labor and Workforce Support for Businesses and Employees

- **Unemployment Insurance Work Sharing Program ([here](#))**
 - **Terms:**
 - § Temporary alternative to layoffs
 - § Payment of benefits to individuals whose wages and hours have been reduced
 - **Eligibility:**
 - § Be a legally registered business in California and have an active California State Employer Account Number
 - § At least 10% of the employer’s regular workforce or a unit of the workforce, and a minimum of two employees, must be affected by a reduction in hours and wages
 - § Hours and wages must be reduced by at least 10% and not exceed 60%
 - § Health benefits must remain the same as before, or they must meet the same standards as other employees who are not participating in Work Sharing
 - § Retirement benefits must meet the same terms and conditions as before, or they must meet the same as other employees who are not participating in Work Sharing
- **California Worker Adjustment and Retraining Notification (WARN) Act ([here](#))**
 - Certain types of mass layoffs, relocations, or terminations/closures would normally trigger the so-called “WARN Act” notification obligations under California law
 - Governor Gavin Newsom issued an executive order temporarily suspending the 60-day notice requirement in the California WARN Act for employers that give written notice to employees and satisfy other conditions
 - Mass layoff, relocation, or termination/closure must be caused by COVID-19-related “business circumstances that were not reasonably foreseeable as of the time that notice would have been required”
- **Rapid Response Program ([here](#))**
 - Early intervention assistance to avert potential layoffs and services to assist workers facing job losses
- **Other Benefits for Workers Impacted by COVID-19**
 - Disability Insurance ([here](#))
 - Unemployment Insurance ([here](#))
 - Paid Family Leave ([here](#))
 - Paid Sick Leave ([here](#))
 - Workers’ Compensation ([here](#))

3. Eviction and Foreclosure Protections

- **California Judicial Council Emergency Rules** ([here](#))
 - Terms:
 - § Emergency Rules of the California Rules of Court suspending evictions and judicial foreclosures that will remain in effect until 90 days after the Governor declares the state of emergency lifted or until the rule is amended or repealed by the Judicial Council
 - Rules:
 - § A court may not issue a summons on a complaint for unlawful detainer (“U/D”) unless action is necessary to protect public health and safety
 - § A court may not enter default or a default judgment in a U/D action unless (1) it is necessary to protect public health and safety and (2) the defendant failed to appear
 - § Any actions for foreclosure, including any action for a deficiency judgment, are stayed unless necessary to protect public health and safety
 - Applicable to:
 - § Commercial and residential evictions and foreclosures
- **Los Angeles Eviction Protection Ordinance** ([here](#))
 - Terms:
 - § Prohibits landowners from evicting some commercial tenants for the non-payment of rent due to COVID-19 and from charging any interest or late fees on unpaid rent
 - Applicable to:
 - § Commercial tenants who are not: (1) a multi-national company, (2) a publicly traded company, or (3) a company that employs more than 500 employees

4. Emergency Relief Funds for Eligible Nonprofits

- **COVID-19 LA County Response Fund** ([here](#))
 - Amount:
 - § Not stated, fund is still accepting donations
 - Eligibility:
 - § Grants addressing emerging needs in the LA County community with focus on education, health, homelessness, and individual hardship assistance through nonprofit partners in the Pass It Along Program
- **LA Arts COVID-19 Relief Fund** ([here](#))
 - Amount:
 - § \$10 million total fund
 - § Grants of \$25,000 - \$200,000

- Eligibility:
 - § Emergency operating support and recovery grants to small and mid-size museums and nonprofit arts organizations that contribute significantly to the region's cultural and artistic diversity and are struggling with the economic effects of the coronavirus crisis
- **Long Beach Disaster Relief Fund Grant ([here](#))**
 - Amount:
 - § Up to \$20,000
 - Eligibility:
 - § Grants to support community-based organizations at the frontlines of the coronavirus response in the Long Beach area
 - § Approved 501(c)(3) nonprofit, educational, and governmental organizations
- **Community Foundation for Monterey County and Monterey Peninsula Foundation COVID-19 Relief Fund ([here](#))**
 - Amount:
 - § Between \$5,000 - \$30,000
 - Eligibility:
 - § 501(c)(3) nonprofit organizations and other public agencies serving Monterey County residents
- **Community Foundation for San Benito County COVID-19 Relief Fund ([here](#))**
 - Amount:
 - § Not stated, fund is still accepting donations
 - Eligibility:
 - § San Benito County nonprofits that serve vulnerable populations with basic needs related to job layoffs and/or unemployment or experience staffing and/or volunteer gaps due to quarantines and social distancing
- **Inland Empire Community Foundation COVID-19 Resilience Fund ([here](#))**
 - Amount:
 - § Not stated, fund is still accepting donations
 - Eligibility:
 - § Grants made to organizations in the Inland Empire that are assisting those impacted by job loss or facing homelessness because of COVID-19
- **North Valley Community Foundation COVID-19 Rapid Response Fund for Local Nonprofits and Agencies ([here](#))**
 - Amount:
 - § Not stated, fund is still accepting donations

- Eligibility:
 - § 501(c)(3) organizations and government agencies assisting to help prepare and deploy resources for the COVID-19 response in Butte, Glenn, Tehama and Colusa counties
- **OC Community Resilience Fund ([here](#))**
 - Amount:
 - § \$25,000 - \$50,000
 - Eligibility: Nonprofits seeking organizational capacity grants must:
 - § Currently serve vulnerable populations with critical social and health services
 - § Present a clear case for how the organization is directly impacted by and continuing to respond to the immediate needs of the Orange County community
 - § Demonstrate how a grant will have meaningful impact on capacity to sustain program operations relative to organizational budget size or numbers served
- **Sacramento Region Disaster Relief Fund ([here](#))**
 - Amount:
 - § \$2,500 - \$10,000
 - Eligibility:
 - § 501(c)(3) nonprofit organizations in good standing with the IRS that is located in and serving one or all of the counties in the Sacramento region
- **San Diego COVID-19 Community Response Fund ([here](#))**
 - Amount:
 - § Not stated, past grants have ranged from \$25,000 - \$500,000
 - Eligibility:
 - § Nonprofits that are working on the frontlines to provide San Diego region's most vulnerable communities with assistance, such as food security, other essential living expenses, emergent needs, and rent and utility payment support
- **San Francisco Foundation COVID-19 Emergency Response Fund ([here](#))**
 - Amount:
 - § \$5,000 - \$25,000
 - Eligibility:
 - § Nonprofits in the Bay Area addressing the following four issue areas: racial bias, worker protection, homelessness and renter protection/housing security, and food security
- **United Way Bay Area COVID-19 Community Relief Fund ([here](#))**
 - Amount:
 - § Not stated, fund is still accepting donations

- Eligibility:

- § Bay Area organizations that are offering relief and response services to families who have been adversely impacted by the COVID-19 global pandemic

5. General

- **Center for Nonprofit Management (Southern California) – COVID-19 Resource Center ([here](#))**
 - Registrations to participate in weekly, virtual “Lunch & Learns” to discuss scenario planning, fund development, and managing teams remotely; webinar series on financing options for nonprofits
 - Links to emergency relief funds for eligible nonprofits and others
 - Other resources, including: Planning/Guides, Board Information, Fundraising/Finance Tools and Tactics
- **Northern California Small Business Development Centers – COVID-19 Resources ([here](#))**
 - Webinars discussing how to navigate the economic difficulties posed by COVID-19; guides on loans, the Paycheck Protection Program, and the CARES Act
 - COVID-19 Small Business Survival Guide
 - Information regarding different forms of support (financial and otherwise) by the federal government and California state government
- **Small Business Technology Tools ([here](#))**
 - Free or discounted technology tools for small businesses
 - Teleworking tips and additional resources

Colorado Resources

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1. Colorado Governmental and Private Resources—Small Businesses Only

- **Denver Small Business Emergency Relief ([here](#))**
 - **Amount:** Provides up to a \$7,500 cash grant to eligible small businesses that may have had to temporarily close, have difficulty with paying their rent and utilities or have had to lay off staff.
 - **Eligibility:**
 - § For business owners within the City & County of Denver only.
 - § Prioritizes industries most impacted by COVID-19 such as the food industry, nail salons, barbershops, home childcare providers and retail shops.
 - § This temporary relief program is intended to be available for a four month period and rolled out in monthly phases with the deadline to submit applications being the last day of the month from March 2020 through June 2020.
- **Denver Microloan Program ([here](#))**
 - **Amount:** A Denver-based program focused on targeted industries located in specific Denver neighborhoods that provides loans from \$5,000-\$50,000 with terms of up to five years.
 - **Eligibility:**
 - § Program pre-dates the COVID-19 crisis, but is also focused on supporting small businesses' stabilization efforts during the COVID-19 epidemic.
 - § The applicant must demonstrate the ability to repay the city's loan and provide adequate collateral for securing the city's loan.
 - § The interest rate, term, and amortization for the city's loan will be structured to allow for a reasonable rate of return to the investor(s) and adequate cash flow to service project debt.

- **Imagine 2020 Artist Assistance Fund** ([here](#))
 - Amount: Grants up to \$1,000
 - Eligibility: Individual artists that live in Denver whose incomes are being adversely affected by COVID-19 due to cancellations of events, classes, performances and other creative work.

2. Colorado Governmental and Private Resources—Non-Profits Only

- **COVID-19 CO Creatives Relief Grant** ([here](#))
 - Amount: Ranges from \$4,000-\$8,500 depending on your organization's size.
 - Eligibility:
 - § Provides general operating grants to non-profit arts organizations in Colorado with an annual operating budget of less than \$1 million that have received funding in the last five years from Colorado Creative Industries (but not in the past one year).
 - § Open only to Colorado-based, arts-focused 501(c)(3) organizations with a primary purpose to support the arts as reflected in their organizational mission.
 - § Application deadline is May 13, 2020 at 4 pm MT.

3. Colorado Governmental and Private Resources—Small Businesses & Non-Profits

- **The Colorado COVID Relief Fund** ([here](#))
 - Amount: Eligible organizations may apply for one general operating, unrestricted grant of up to \$25,000 per funding deadline.
 - Eligibility:
 - § The current fund application deadlines are every two weeks: April 18, 2020, May 2, 2020, May 16, 2020, and May 30, 2020.
 - § Eligibility to apply is based on: (1) organization type (i.e. nonprofit organizations, local government, school districts and small businesses serving certain areas/communities); (2) serving certain vulnerable populations; and (3) alignment with one of three funding priorities (i.e. prevention, impact and recovery).
 - § All grantees must report back by November 30, 2020 on the number of people served and a narrative about how the funds were used to benefit communities.

4. Labor and Workforce Support for Businesses and Employees

- **Colorado Work-Share Program** ([here](#))
 - The Work-Share Program provides an alternative to laying off employees by allowing them to keep working, but with fewer hours. While an employee is working fewer hours, he/she may be eligible to collect part of his/her regular unemployment benefits.
 - Employer eligibility to apply is based on the following: (1) reduced normal weekly hours by at least 10%, but by no more than 40%; (2) the reduction must affect at least

two out of all employees in the business, or a minimum of two employees in a certain unit; (3) employer must have paid as much in premiums as the Colorado Department of Labor and Employment pays former employees in unemployment insurance benefits (refer to the statement mailed to employers in November 2019).

- **Executive Order: Unemployment Insurance Directive** ([here](#))
 - Governor Polis’s executive order dated March 20, 2020 shifts \$1 million in funding to the Colorado Department of Labor and Employment (CDLE) for six months to improve and expedite services available to individuals applying for unemployment insurance.
 - CDLE is to expedite unemployment insurance claims processing and distribution of payments to ensure displaced workers as a result of the impacts of COVID-19 will begin receiving such payments within ten days of the receipt of filing their completed applications to the extent practicable.
- **Colorado Emergency Childcare Collaborative** ([here](#))
 - As of March 30th, Colorado will extend a full tuition credit to all essential workers identified in the Updated Public Health Order 20-24 ([here](#)) issued by the Colorado Department of Public Health and Environment to provide child care to all essential workers until May 17, 2020.
 - Emergency child care provided through the Collaborative is for when all other non-group care settings have been exhausted and families have no other options.

5. Eviction and Foreclosure Protections

- **Executive Order: Foreclosure and Eviction Directive; Utility Directive** ([here](#))
 - Governor Polis’s order dated March 20, 2020:
 - § Requests that \$3 million from the Disaster Emergency Fund be made available to the Department of Local Affairs to provide short-term rental and mortgage assistance to low-income households facing financial hardship due to COVID-19;
 - § Encourages banks, credit unions and other financial institutions that are holding residential or commercial mortgages to halt foreclosures and related evictions in connection with the COVID-19 pandemic; and
 - § Encourages financial institutions to provide a 90-day deferment of payment for all consumer loans (e.g., residential and commercial mortgages, refinances, auto loans, small business loans).

Note that these aforementioned aspects of the order are non-binding, and most provisions expire within 30 days from March 20, 2020, unless extended by executive order. However, the order does contain binding provisions (i) suspending law enforcement agencies from undertaking any residential eviction activities until April 30, 2020 unless such actions are necessary to protect public health and safety, and (ii) directing the Public Utilities Commission to suspend service disconnections for delayed or missed payments from residential and small business consumers related to the impacts of COVID-19.

- Note that residential evictions are temporarily suspended under local orders in many parts of Colorado. For information specific to each county please refer to this [link](#) provided and

maintained by the Colorado Department of Local Affairs. If a tenant is protected by a moratorium, their landlord cannot evict them until the moratorium expires.

- **Denver Temporary Rental and Utility Assistance Program (TRUA) (Residential) ([here](#))**
 - **Amount:** TRUA offers resources to Denver residents who are facing a housing crisis or hardship to prevent eviction or displacement by paying up to 80% of the rent and a portion of utilities. Assistance payments will be made directly to your landlord or utility company.
 - **Eligibility:** You must (1) be a Denver resident; (2) provide proof of household income of \$52,000 or less for one person or \$74,250 or less for a household of four; and (3) participate in housing counseling and benefit navigation services.
- **State of Colorado Eviction Prevention Programs**
 - The State of Colorado offers eviction prevention assistance for renters in various parts of the state through several non-profit organizations. For information specific to a given location within the state please refer to this [link](#).

6. General

- **Colorado Workforce Centers ([here](#))** offer workforce services related to restructuring and/or downsizing your business. Services include, but are not limited to, consultation on layoff aversion strategies, onsite workshops for employees in transition, job placement assistance, and information on unemployment benefits. Due to current state and federal guidelines regarding COVID-19, it is recommended that you contact your local Workforce Center before traveling to their location.
- **Colorado Small Business Development Center (SBDC) Network ([here](#))** provides no-cost consulting and low-cost training and workshops to entrepreneurs in every county across Colorado. The Denver SBDC is also maintaining a COVID-19 disaster response hotline at (303) 860-5881.
- **Colorado Department of Regulatory Agencies—Division of Insurance ([here](#))** has published a dedicated page to COVID-19-related issues regarding health insurance, property and casualty insurance, and regulated entities (i.e. insurance companies, insurance agents, agencies, brokers, and producers). Includes publications relating to the State's:
 - § Removal of certain restrictions on auto insurance for restaurant delivery drivers ([here](#))
 - § Requirement that insurance companies take certain actions related to COVID-19 in the areas of telehealth, prescription refills and cost-shares (co-pays, deductibles and co-insurance) ([here](#))
- A **COVID-19 Special Enrollment Period ([here](#) and [here](#))** has been extended through April 30, 2020 allowing people who are currently uninsured (and their uninsured spouses and children) to enroll in individual insurance. This does not cover employer-provided plans.
- The Colorado Office of Economic Development & International Trade maintains a Google spreadsheet of **Alternative Sources of Funding ([here](#))**, which is updated regularly.
- The Colorado Department of Labor and Employment maintains a list of **Free & Reduced Legal Services ([here](#), scroll down to “Free & Reduced Legal Services”)**.

- The **Colorado Enterprise Fund** ([here](#)) provides various guides to weathering COVID-19, including guides to business continuity and lease payment negotiations. They can also help borrowers fill out applications for PPP Loans (which are discussed in Section 1 of the FAQ, under “PPP Loans”).

Connecticut Resources

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Please note that many city and county governmental bodies, as well as private organizations, are providing additional loans, grants and other forms of relief targeted at small businesses and nonprofits. While we have summarized a number of these programs below, this list is not complete. As such, we recommend that you go online and research what programs are available in your specific area or for your specific type of business/nonprofit.

1. Connecticut Governmental Resources

- **Connecticut Recovery Bridge Loan Program ([here](#))**
 - Status:
 - § At the time of this writing, applications are closed. Please consider monitoring the State's website for updates.
 - Amount:
 - § The lesser of (i) \$75,000 and (ii) three months of operating expenses
 - Uses:
 - § Working capital
 - Eligibility:
 - § Have no more than 100 employees
 - § Be in good standing with the Department of Revenue Services & Department of Economic and Community Development
 - § Have been profitable prior to March 10, 2020— with no adverse personal credit reports 60 days past due in the past six months
 - § Not be (i) involved in real estate, multi-level marketing, adult entertainment, cannabis or firearms or (ii) a state elected public official or state employee
- **COVID-19 Business Response Program ([here](#))**
 - Amount:
 - § Line of credit up to \$20,000
 - Uses:
 - § Working capital

- Eligibility:

- § Applicants must (i) be a for-profit business with no more than 20 full-time and/or part-time employees, (ii) be a minority-owned and/or woman-owned small business; and (iii) have been conducting business for a minimum of six months

2. Emergency Relief Funds for Eligible Nonprofits

- **William Caspar Graustein Memorial Fund** ([here](#))

- Amount:

- § The fund website does not specify the typical amount of each grant

- Eligibility:

- § Nonprofits located in Connecticut

- **Community Foundation of Eastern Connecticut: Neighbors for Neighbors Fund** ([here](#))

- Amount:

- § The fund website does not specify the typical amount of each grant

- Eligibility:

- § Nonprofits that serve communities in Eastern Connecticut

- **Hartford Foundation for Public Giving: COVID-19 Response Fund** ([here](#))

- Amount:

- § The fund website does not specify the typical amount of each grant

- Eligibility:

- § Nonprofits that serve communities in the Hartford, Connecticut region

3. Eviction and Foreclosure Protections

- **Mortgage Relief for Residents and Businesses** ([here](#))

- Terms: The Governor of Connecticut reached an agreement with participating credit unions and banks in Connecticut to offer mortgage relief to the state's residents and businesses, including:

- § 90-day grace period for all mortgage payments

- § Relief from fees and charges for 90 days

- § No new foreclosures for 60 days

- § No credit score changes for accessing relief

- **Executive Order No. 7X: Residential Rent Protections** ([here](#))

- Terms: The Governor of Connecticut issued an executive order that provides for the following protections for residential renters during the COVID-19 emergency:

- § Landlords are prohibited from issuing a notice to quit or beginning eviction proceedings before July 1, 2020

- § For rent due in April 2020, landlords must grant tenants an automatic, 60-day grace period for payments

- § For rent due in May 2020, landlords must grant a 60-day grace period for payments upon the request of tenants so long as the tenants notify the landlord

that they have been adversely impacted (such as through a lost job or through increased expenses) as a result of COVID-19

§ Under certain circumstances, tenants can apply a portion of a paid security deposit to the rent due in April, May, or June

4. **General**

- **Connecticut Non-profit Alliance - COVID-19 Response Resource Center** ([here](#))
 - Links to federal and state resources that have been established in connection with the COVID-19 outbreak

District of Columbia Resources

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Please note that many city and county governmental bodies, as well as private organizations, are providing additional loans, grants and other forms of relief targeted at small businesses and nonprofits. While we have summarized a number of these programs below, this list is not complete. As such, we recommend that you go online and research what programs are available in your specific area or for your specific type of business/nonprofit.

1. DC Governmental and Private Resources

- **Small Business Recovery Microgrants Program** ([here](#))
 - Status: Applications closed as of April 1, 2020. While the state has not indicated whether the fund will be replenished, consider monitoring the state's website for updates.
 - Amount: Not stated – initial fund was \$25 million
 - Uses: Wages, benefits, account payable, rent, inventory and utilities
 - Eligibility:
 - § Principal office or headquarters in DC
 - § Meet the SBA definition of a small business or are a registered not-for-profit in DC, or you are an independent contractor residing in DC not eligible for unemployment insurance

2. Labor and Workforce Support for Businesses and Employees

- **DC Shared Work Plan** (as expanded by the COVID-19 Response Supplemental Emergency Amendment Act of 2020) ([here](#) and [here](#))
 - Designed to reduce unemployment and stabilize the workforce by allowing certain under-employed workers to collect unemployment compensation benefits.
 - Requirements:
 - § Employers must certify the plan replaces layoffs that would affect at least 10% of employees; and
 - § The plan must not reduce the normal weekly hours for an employee in the affected unit by less than 10% and not more than 60%.

- **Unemployment Insurance Coverage** (as expanded by the COVID-19 Response Supplemental Emergency Amendment Act of 2020) ([here](#))
 - Expands the coverage of DC’s unemployment insurance program to include, in appropriate circumstances, workers who are self-employed, gig workers, those seeking part-time work and others “who otherwise would not qualify”
- **COVID-19 Response Supplemental Emergency Amendment Act of 2020** ([here](#))
 - Temporarily expands DC’s paid sick leave law, requiring employers with 50—499 employees to provide “declaration of emergency” (DOE) leave for any reason employees might take leave under the FFCRA. The typical one-year employment requirement and 1,000-hour work requirement will not apply to an employee who has been ordered or recommended to quarantine or isolate due to COVID-19.

3. **Eviction and Foreclosure Protections**

- **Washington, DC Emergency Rental Assistance Program** ([here](#))
 - Provides funding for income-eligible DC residents facing housing emergencies. Eligibility limited to DC households with children, elderly, and people with disabilities.
- **Washington, DC Council Second COVID Emergency Response Bill** ([here](#))
 - The bill freezes residential rent, preventing increases but not allowing for nonpayment, for the duration of the public health emergency and 30 days thereafter
 - Creates a mandatory 90-day mortgage deferment program for residential and commercial mortgage holders who so request
 - Expands utility protection
 - Forbids repossession of vehicles during the public health emergency

4. **Emergency Relief Funds for Eligible Nonprofits**

- **Greater Washington Community Foundation COVID-19 Emergency Response Fund (inclusive of certain MD and VA locations)** ([here](#))
 - Amount: Expected to be between \$10,000 and \$100,000
 - Uses: General operational expenses
 - Eligibility: Non-profit organization focusing on addressing lost wages, relief for small business and gig economy workers, expanding access to medical services, or focusing on the unique needs of people experiencing homelessness

5. **General**

- **Washington, DC COVID Website** ([here](#)), including a resources page ([here](#))
 - Information regarding unemployment compensation ([here](#))
 - Extended to include temporary unemployment and remove work-search requirements ([here](#))
 - Chart showing various COVID-19 scenarios and corresponding benefits at a glance ([here](#))

- **Board Source: How Non-Profits and Board Members can Respond to COVID-19** ([here](#))
 - Provides Q&As on the non-profit sector, finances and investments, virtual board meetings, board engagement, the role of the board, fundraising, crisis communications and planning, strategic partnerships, and board practices and procedures.

Maryland Resources

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Please note that many city and county governmental bodies, as well as private organizations, are providing additional loans, grants and other forms of relief targeted at small businesses and nonprofits. While we have summarized a number of these programs below, this list is not complete. As such, we recommend that you go online and research what programs are available in your specific area or for your specific type of business/nonprofit.

1. Maryland Governmental and Private Resources

- **Maryland Small Business COVID-19 Emergency Relief Loan Fund ([here](#))**
 - **Status:** Applications closed as of April 6, 2020. While the state has not indicated whether the fund will be replenished, consider monitoring the state's website for updates.
 - **Amount:** Loans up to \$50,000
 - **Terms:** 0% interest for the first 12 months, 2% interest for the remaining 36 months
 - **Uses:** Payroll expenses, rent, mortgage payments and utility expenses
 - **Eligibility:**
 - § Have W-2 employees
 - § Business established prior to March 9, 2020
 - § Minimum personal credit score of 575
 - § Demonstrated financial stress or disrupted operations
- **Maryland Small Business COVID-19 Emergency Relief Grant Fund ([here](#))**
 - **Status:** Applications closed as of April 6, 2020. While the state has not indicated whether the fund will be replenished, consider monitoring the state's website for updates.
 - **Amount:** Grants up to \$10,000
 - **Uses:** Payroll expenses, rent, mortgage payments and utility expenses
 - **Eligibility:**
 - § Have W-2 employees
 - § Business established prior to March 9, 2020
 - § Demonstrated financial stress or disrupted operations
 - § Annual revenue not to exceed \$5 million
- **Maryland COVID-19 Emergency Relief Manufacturing Fund ([here](#))**
 - **Status:** Still accepting applications at the time of this writing.

- Amount: Grants up to \$100,000
- Uses: Production of personal protective equipment and other items identified as critical needs items by the State of Maryland. Eligible costs include capital machinery expenses, raw materials and operation expenses.
- Eligibility:
 - § Demonstrable experience, technical expertise, and financial stability
 - § Located in Maryland and able to manufacture goods in Maryland

2. Labor and Workforce Support for Businesses and Employees

- **COVID-19 Layoff Aversion Fund** ([here](#))
 - Status: Applications closed at the time of this writing. While the state has not indicated whether the fund will be replenished, consider monitoring the state's website for updates.
 - Amount: Grants up to \$50,000
 - Uses: Purchasing items for remote access (hardware or software), cleaning and sanitation supplies, and additional liability insurance for restaurants
 - Eligibility:
 - § 500 or fewer employees
 - § Demonstrable need for layoff aversion support
 - § Up-to-date on taxes and in good standing
- **Maryland Workshare Program** ([here](#))
 - General Information: This program pre-dates the COVID-19 crisis. As an alternative to layoffs, employers may split available working hours among a number of employees. Those employees may also apply for unemployment insurance for the percentage of hours that were reduced.
 - Requirements:
 - § Must have two or more employees consent (and the union, if applicable)
 - § May be used for certain departments or units, or the entire company
 - § Must contact the Maryland Division of Unemployment Insurance and complete and submit an application within 7-15 days of the anticipated start date
- **COVID-19 Public Health Emergency Protection Action of 2020** ([here](#))
 - Expands the situations in which employees can apply for unemployment benefits to include situations where the employer temporarily ceases operations due to COVID-19, the employee is quarantined due to COVID-19, or the employee leaves employment due to the risk of exposure to COVID-19 or to care for a family member due to COVID-19
 - Prohibits the termination of employees because they have been isolated or quarantined due to COVID-19

- Prohibits an increase of price of more than 10% for food, fuel, water, medicine, medical equipment, cleaning supplies, building supplies, energy sources and storage space
- **Montgomery County Earned Sick and Safe Leave Law** ([here](#))
 - Allows employees to use accrued leave under the law due to the public health emergency
- **Maryland Healthy Working Families Act** ([here](#))
 - Allows employees to use leave under the Act for their own illness or to care for a family member
- **Maryland Flexible Leave Act** ([here](#))
 - If the employee's employer has at least 15 employees, any of those employees may use their paid leave to care for an immediate family member

3. **Eviction and Foreclosure Protections**

- **211MD Eviction Protection** ([here](#))
 - Residents facing eviction, regardless of whether COVID-19 related, may contact Maryland 211 online or by dialing 2-1-1 to speak with an eviction specialist
- **Eviction and Foreclosure Protection Executive Orders** ([here](#))
 - Until the state of emergency for the State of Maryland has ended, no court may order an eviction of any resident, nor authorize a repossession of any residential real property, if the tenant can prove that the tenant suffered a substantial loss of income from COVID-19. Similarly, the order establishes that a positive diagnosis of COVID-19 does not constitute a clear and imminent danger for which the tenant may be in violation of the tenant's lease and evicted.
 - Effectively prevents initiation of new residential foreclosures by stopping the Maryland Commissioner's acceptance of notices of intent to foreclose.
 - Suspends various provisions of Maryland statutes permitting any creditor to use self-help to repossess any automobile, truck, or "Chattel Home" (defined as "personal property used as a person's residence, including without limitation, mobile homes, trailers, and live-aboard boats") until the Governor enters an order lifting the state of emergency.
- **Utility Protection Executive Order** ([here](#))
 - Until the earlier of (x) the state of emergency for the State of Maryland has ended and (y) May 1, 2020 (unless extended), no electric, gas, sewage disposal, telegraph, telephone, water, or cable television company, or internet service provider, or any company providing a combination of such services may terminate the service used in a dwelling unit or residence.

4. **Emergency Relief Funds for Eligible Nonprofits**

- **Community Foundation for Anne Arundel County: Community Crisis Response Fund** ([here](#))
 - Amount: Not stated, fund is still accepting donations at the time of this writing
 - Uses: General operational expenses

- Eligibility: Non-profit organization or county agency supporting community safety, well-being and resiliency
- **Baltimore Community Foundation: COVID-19 Evolving Community Needs Fund** ([here](#))
 - Amount: Not stated
 - Uses: To enable rapid response to mitigate the effects of the pandemic on the region's communities, workforce and vulnerable populations
 - Eligibility: 501(c)(3) focusing on Baltimore County and Baltimore City populations

5. General

- **Maryland Nonprofits** ([here](#))
 - Maintains a page of up-to-date information for nonprofits to address all aspects of the crisis on their own organizations, staff and volunteers, meeting the needs of their communities, and adapting day to day.
- **Maryland State Resources**
 - Maryland State website with live updates from Governor Hogan, general resources, and press releases ([here](#))
 - Maryland COVID-19 Information for Business website ([here](#))
 - Interpretive guidance for essential businesses staying open ([here](#))
 - Employee leave FAQ ([here](#))
 - The Maryland Department of Labor maintains an ongoing list of upcoming job fairs around the state ([here](#))

New Jersey Resources

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Please note that many city and county governmental bodies, as well as private organizations, are providing additional loans, grants and other forms of relief targeted at small businesses and nonprofits. While we have summarized a number of these programs below, this list is not complete. As such, we recommend that you go online and research what programs are available in your specific area or for your specific type of business/nonprofit.

1. New Jersey Governmental Resources

- **NJEDA Small Business Fund** ([here](#))
 - Amount:
 - § Up to \$500,000 with 1.0x historical debt service coverage
 - Uses:
 - § Fixed assets or working capital
 - Eligibility:
 - § Small businesses must have been in operation for at least one full year, and nonprofits for at least three full years
- **NJEDA Small Business Emergency Assistance Grant Program** ([here](#))
 - Status:
 - § At the time of this writing, funding for this program was oversubscribed. Please consider monitoring the state's website for updates.
 - Amount:
 - § \$1,000 to \$5,000
 - Uses:
 - § Payroll and/or working capital
 - Eligibility:
 - § Applicants must (i) have a physical commercial location in New Jersey, (ii) be classified in a specific industry (i.e. retail, entertainment, accommodation, etc.) and (iii) have up to 10 full-time employees

- **NJEDA Small Business Emergency Assistance Loan Program ([here](#))**
 - **Status:**
 - § At the time of this writing, funding for this program was oversubscribed. Please consider monitoring the state’s website for updates.
 - **Amount:**
 - § Up to \$100,000
 - **Uses:**
 - § General working capital/business purposes
 - **Eligibility:**
 - § Borrowers must (i) have a physical commercial location in New Jersey, (ii) have been in existence for at least one year, (iii) have less than \$5 million in annual revenue, and (iv) demonstrate that COVID-19 negatively impacted business operations
- **NJEDA Bond Financing ([here](#))**
 - **Amount:**
 - § \$500,000 to \$10 million in tax-exempt bonds for for-profit companies
 - § \$500,000 with no dollar limit in tax-exempt bonds for qualified nonprofit organizations
 - **Uses:**
 - § Capital improvements/expansions, working capital, debt refinancing, etc.
 - **Eligibility:**
 - § Borrowers must meet the eligibility requirements outlined in the Internal Revenue Code in order to qualify for tax-exempt bond financing

2. **Emergency Relief Funds for Eligible Nonprofits**

- **New Jersey Pandemic Relief Fund ([here](#))**
 - **Amount:**
 - § Up to \$500,000
 - **Uses:**
 - § General working capital/business purposes
 - **Eligibility:**
 - § An eligible organization must be a nonprofit and must use the grant exclusively for the benefit of New Jersey residents
- **South Jersey COVID-19 Response Fund ([here](#))**
 - **Amount:**
 - § One-time support grants of at least \$3,000
 - **Eligibility:** Nonprofit organizations aimed at assisting South Jersey residents that otherwise meet one of the following three criteria:
 - § **Triage:** Community-based nonprofits that have increased demand for services from South Jersey residents due to COVID-19, including organizations that focus on providing economic security and related services to South Jersey residents

- § **Treatment:** Human service nonprofits that are modifying their delivery modes due to COVID-19
- § **Recovery:** Nonprofits facing extreme difficulty because of lost revenue due to closures and cancellations, as well as other business model challenges resulting from the pandemic
- **Northern NJ Community Foundation – COVID-19 Rapid Response Fund ([here](#))**
 - Amount:
 - § One-time, small-scale financial support grant
 - Eligibility:
 - § An eligible organization must be a local nonprofit working to meet the needs of Bergen County residents
- **Princeton Area Community Foundation COVID-19 Relief & Recovery Fund ([here](#))**
 - Amount:
 - § This fund is accepting requests for unrestricted support, although the fund also states on its website that nonprofits should be “realistic in the amount of [its] request. While fundraising efforts are continuous, [the fund has] limited resources, and [it is] trying to meet as many needs as possible.”
 - Eligibility:
 - § No specific criteria is listed, but information located on the fund’s website suggests that this fund is aimed at assisting nonprofits servicing the local community (i.e. Princeton, NJ and surrounding areas)
- **OceanFirst Foundation Rapid Response Grants and Good Neighbor Grants ([here](#))**
 - Status:
 - § Applications closed as of April 7, 2020. Please consider monitoring OceanFirst’s website for updates.
 - Amount:
 - § Up to \$5,000
 - Eligibility:
 - § Only nonprofits are eligible for these grants
- **PHL COVID-19 Fund ([here](#))**
 - Status:
 - § At the time of this writing, applications for the first series of grants were closed. PHL’s website indicates that grants will be made on a rolling basis, so please consider monitoring PHL’s website for updates.
 - Amount:
 - § Grant amounts will be calculated based on an organization’s operating budget
 - Eligibility:
 - § Nonprofits operating in Bucks, Chester, Delaware, Montgomery and Philadelphia counties in Pennsylvania and Atlantic, Burlington, Camden, Cape May, Cumberland counties in New Jersey

3. **Eviction and Foreclosure Protections**

- **Executive Order No. 106: New Jersey State Moratorium on Removals** ([here](#))
 - **Terms:**
 - § Subject to certain exceptions, any lessee, tenant, homeowner or any other person shall not be removed from a residential property as the result of an eviction or foreclosure proceeding. However, the Order does not affect any schedule of rent that is due.
 - **Duration:**
 - § Moratorium to remain in effect for 60 days following the issuance of Executive Order No. 103 on March 9, 2020

4. **General**

- **Center for Non-Profits – COVID-19 Resource Center** ([here](#))
 - Free webinars addressing nonprofit governance, operations, and fundraising during the COVID-19 pandemic
 - Links to emergency relief funds for eligible nonprofits and others
 - Access to other resources, including information related to: insurance, fundraisers, payroll/employee matters, telecommuting, etc.
- **Invest Newark – COVID-19 Resource Center** ([here](#))
 - Free webinar and other resources devoted to helping small businesses and nonprofits address the current pandemic
 - Access to local, state, and national resources designed to assist small businesses during the COVID-19 outbreak

New York Resources

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1. New York Governmental Resources

- **NYC Employee Retention Grant Program ([here](#))**
 - Status:
 - § The NYC Employee Retention Grant Program is no longer accepting applications. However, please consider monitoring the City's website for updates.
 - Amount:
 - § Grant amounts will cover 40% of payroll costs for two months
 - Uses:
 - § Retention of employees
 - Eligibility:
 - § Be located within the five boroughs of New York City
 - § Demonstrate that the COVID-19 outbreak caused at least a 25% decrease in revenue
 - § Employ 1-4 employees in total across all locations
 - § Have been in operation for at least six months
 - § Have no outstanding tax liens or legal judgements
- **NYC Small Business Continuity Loan Fund ([here](#))**
 - Status:
 - § At the time of this writing, due to the high volume of applications, the City is no longer taking applications for these loans. However, please consider monitoring the City's website for updates.
 - Amount:
 - § Interest-free loan in an amount up to \$75,000

- Eligibility:
 - § Be located within the five boroughs of New York City
 - § Demonstrate that the COVID-19 outbreak caused at least a 25% decrease in revenue
 - § Employ 99 employees or fewer in total across all locations
 - § Demonstrate ability to repay the loan
 - § Have no outstanding tax liens or legal judgements
- **New York State Nonprofit Security Grant Program ([here](#))**
 - Status:
 - § Applications closed as of April 2, 2020. Please consider monitoring the State's website for updates.
 - Amount:
 - § Up to \$100,000
 - Eligibility:
 - § Nonprofit organizations who are prequalified in the NYS Grants Management system

2. Emergency Relief Funds for Eligible Nonprofits

- **NYC COVID-19 Response & Impact Fund – Grants ([here](#))**
 - Status:
 - § At the time of this writing, the fund has indicated that applications will remain open until April 22, 2020
 - Amount:
 - § No specific amounts are specified on the fund's website
 - Eligibility:
 - § Nonprofits that generally meet the governance and financial standards of the Better Business Bureau, including a board of directors with at least five members and no more than one paid board member
- **Nonprofit Finance Fund (NFF) - NYC COVID-19 Response & Impact Fund – Loans ([here](#))**
 - Amount:
 - § Unsecured loans ranging from \$100,000 to \$3 million
 - Eligibility:
 - § 501(c)(3) nonprofit organization
 - § Based in New York City
 - § Annual non-governmental revenue of \$20 million or less
 - § Receive New York City or New York State government funding
 - § History of delivering effective programs and services equitably for New York City residents

- **North Star Fund** ([here](#))
 - Amount:
 - § Grants typically range from \$5,000 to \$10,000
 - Eligibility: Nonprofits that are:
 - § Located in at least one of the five boroughs of New York City, or in Westchester, Rockland, Putnam, Orange, Dutchess, Ulster, Sullivan, Columbia, Greene, Delaware, Rensselaer, Albany and Schoharie counties
 - § Operating with a budget of less than \$800,000
- **New York-Presbyterian Hospital Northern Manhattan Recovery Grant** ([here](#))
 - Amount:
 - § The fund's website does not specify the amount that will be awarded for each grant, but the amount of the entire fund is \$10 million
 - Eligibility:
 - § Small business with less than 100 employees or 501(c)(3) nonprofit organizations
 - § Have been in operation for at least 6 months
 - § Demonstrate that the COVID-19 outbreak caused at least a 25% decrease in revenue
 - § Must serve or be located within the Washington Heights, Inwood or Hamilton Heights communities
- **Northern New York Community Foundation: Community Support Fund for COVID-19** ([here](#))
 - Amount:
 - § The fund's website does not specify the amount that will be awarded for each grant, but the amount of the entire fund is \$50,000
 - Eligibility:
 - § Nonprofits that are located in Jefferson, Lewis and St. Lawrence counties and that work to support the essential needs of the local community
- **Robin Hood Relief Fund** ([here](#))
 - Amount:
 - § The average grant will equal \$45,000
 - Eligibility:
 - § Nonprofits that provide services to low-income communities in New York City
- **Adirondack Foundation: COVID-19 Special and Urgent Needs Fund** ([here](#))
 - Amount:
 - § Up to \$10,000, but the fund reserves the right to provide grants in excess of \$10,000
 - Eligibility:
 - § Nonprofits that are located in the Adirondack region, which includes all of Clinton, Essex, Franklin and Hamilton counties as well as the parts of Herkimer, St. Lawrence,

Warren, and Washington counties within the Adirondack Park boundary and the Saint Regis Mohawk Reservation

- **Central New York Community Foundation: COVID-19 Community Support Fund ([here](#))**
 - Amount:
 - § Up to \$50,000
 - Eligibility:
 - § Nonprofits that are located in Central New York and that are working with communities who are disproportionately impacted by COVID-19 and the economic consequences of this outbreak

3. Eviction and Foreclosure Protections

- **Executive Order No. 202.8: New York State Moratorium on Removals ([here](#))**
 - Terms:
 - § The Governor of New York ordered that there will be no enforcement of (i) an eviction of any residential or commercial tenant or (ii) a foreclosure of any residential or commercial property
 - Duration:
 - § Moratorium is to remain in effect for a period of 90 days beginning on March 20, 2020
- **Executive Order No. 202.9: New York State Suspension of Mortgage Payments ([here](#))**
 - Terms:
 - § The Governor of New York suspended mortgage payments for certain individuals who are either not working or working on a part-time basis
 - Duration:
 - § Suspension of mortgage payments is to extend for a period of 90 days

4. General

- **New York Council of Nonprofits – COVID-19 Resources ([here](#))**
 - Registrations to participate in weekly webinars to discuss pertinent topics
 - Access to other state and national resources designed to assist nonprofits during the COVID-19 outbreak

Texas Resources

Please note that these materials have been prepared for general informational purposes only and are not intended as legal advice. In addition, while we have endeavored to include information that is up-to-date at the date of this document, this is a rapidly evolving situation with new governmental programs and guidance being released every day. As such, we recommend you research all of the options available to you and, if possible, consult with an attorney or local legal aid office.

Please note that many city and county governmental bodies, as well as private organizations, are providing additional loans, grants and other forms of relief targeted at small businesses and nonprofits. While we have summarized a number of these programs below, this list is not complete. As such, we recommend that you go online and research what programs are available in your specific area or for your specific type of business/nonprofit.

1. Texas Governmental and Private Resources

- **Austin Business and Non-Profit Recovery Loan** ([here](#))
 - Status: The Austin City Council approved the proposed loan program on March 26, 2020. At the time of this writing, the proposed loan program is pending approval by the Department of Housing and Urban Development (HUD).
 - Amount: Loans up to \$35,000.
 - Use: Working capital.
 - Eligibility: Local businesses in Austin that can demonstrate an economic loss associated with the COVID-19 pandemic.
- **State Tax Relief for Texas Small Businesses** ([here](#))
 - The Texas Comptroller is offering assistance through short-term payment agreements and waivers of penalties and interest to businesses struggling to pay the full amount of sales taxes they collected in February. Businesses should contact the Enforcement Hotline at (800) 252-8880 to learn more.
- **LiftFund Loan Programs** ([here](#))
 - Programs vary depending on availability, but include:
 - § Disaster relief loans for small businesses up to \$50,000 with up to 120-day payment deferment. Business must have been in operation as of August 1, 2019 and experienced a decrease in revenue by at least 15% as a result of COVID-19. ([here](#))
 - § Disaster relief loans for small businesses up to \$25,000 with 0% interest and 120-day payment deferment. Business must have experienced a decrease in revenue by at least 15% in the period beginning March 1, 2020 as a result of COVID-19. Funds may be used for working capital, covering expenses of debt and workforce needs. ([here](#))

§ Partnership with Goldman Sachs and other community development financial institutions to provide \$50 million in loans through the U.S. Small Business Administration’s Paycheck Protection Program. See “PPP Loans” in Section 1 of the FAQ for more information regarding the Paycheck Protection Program. ([here](#))

- **Texas Woman’s University AssistHer Emergency Relief Grant** ([here](#))
 - Grants of \$10,000 to existing woman-owned¹ businesses operating in Texas that are experiencing economic hardship resulting from the COVID-19 crisis. Funds can be used for technology upgrades and other expenses necessary to adapt the business. Business must be a for-profit business; nonprofits are not eligible. Faculty, staff and students are not eligible.
- **TX Restaurant Relief Fund** ([here](#))
 - Grants of up to \$5,000 for independently-owned restaurants in Texas. Aimed at helping keep restaurants open and workers employed. As of the date of this writing, grant applications had been temporarily suspended, but it is anticipated that the grant application portal will reopen by April 15, 2020.

2. **Labor and Workforce Support for Businesses and Employees**

- **Unemployment Benefits Specific to COVID-19** ([here](#))
 - Texas has suspended the one-week waiting period for unemployment benefits during the COVID-19 pandemic, and it has waived work search requirements for all claimants of unemployment benefits.
 - The Texas Workforce Commission’s (“TWC”) Mass Claims program ([here](#)) streamlines the unemployment benefit claims process for employers faced with either temporary or permanent layoffs. Employers can submit basic worker information on behalf of their employees to initiate claims for unemployment benefits. TWC’s Rapid Response Unit ([here](#)) can help employers and affected employees access unemployment claim and reemployment services.
- **Shared Work Program** ([here](#))
 - The Shared Work program provides Texas employers with an alternative to layoffs. The TWC developed this voluntary program to help Texas employers and employees withstand a slowdown in business.
 - Shared Work allows employers to:
 - § Supplement their employees’ wages lost because of reduced work hours with partial unemployment benefits.
 - § Reduce normal weekly work hours for employees in an affected unit by at least 10% but not more than 40%; the reduction must affect at least 10% of the employees in that unit.
 - Shared Work unemployment benefits are payable to employees who qualify for and participate in an approved Shared Work Plan. Employees may choose not to

¹ “Woman-owned” is defined as at least 51% directly owned and controlled by one or more women who are U.S. citizens.

participate. Employees who qualify will receive both wages and Shared Work unemployment benefits.

- **Private Employee Leave for COVID-19**

- Dallas recently passed the Earned Paid Sick Time Ordinance (the “Ordinance”) ([here](#)), which would require employers to provide paid sick leave to employees who work at least 80 hours within the geographic boundaries of the City of Dallas in a year. The Ordinance went into effect on August 1, 2019 for employers with six or more employees, and was to be enforced for employees with five or fewer employees starting on April 1, 2020. However, at the time of this writing, the Ordinance has been temporarily enjoined.

3. Eviction and Foreclosure Protections

- On April 6, 2020, the Texas Supreme Court issued an order ([here](#)) extending the suspension of all evictions of residential properties through April 30, 2020, unless there is an imminent threat of physical harm to the plaintiff or other tenants, or criminal activity.
- Other localities in Texas have provided additional relief:
 - **Austin:** On March 26, 2020, Mayor Adler of the City of Austin ordered that all Notices to Vacate and evictions of tenants are prohibited through May 9, 2020, with exceptions for criminal activity or imminent threat of physical harm. The order is available [here](#).
 - **Dallas / Fort Worth:** On April 6, 2020, Dallas County Judge Clay Jenkins suspended eviction hearings and writs of possession for “at least” the next 60 days (i.e. through June 5, 2020). The order further states that “(l)andlords should cap late fees for delayed payment of rent at fifteen dollars (\$15) per month.” On March 17, 2020, the Tarrant County Justice Courts issued a standing order temporarily suspending all non-essential court proceedings, including eviction cases, until further notice. The orders are available [here](#) and [here](#).
 - **Houston:** As of April 6, 2020, the Justice Courts of Harris County suspended all evictions through April 30, 2020. The order is available [here](#).
 - **San Antonio:** As of April 6, 2020, Bexar County Judge Nelson W. Wolff suspended all foreclosure proceedings and evictions through April 30, 2020. The order is available [here](#).

4. Emergency Relief Funds for Eligible Nonprofits

- **Get Shift Done for North Texas** ([here](#))
 - Connects hospitality workers with nonprofit organizations that provide workforce development and hunger relief. Get Shift Done provides wages to hourly workers to fulfill shifts at the nonprofit.
 - Eligibility:
 - § Must accept food donations, manage the distribution of food, and have facilities large enough to have several people working shifts at a time (e.g., food banks).
 - § Restaurant and hospitality companies can register their furloughed employees to participate.

- **North Texas Cares ([here](#))**
 - Amount: Varies based on need and available funding.
 - Uses: To provide services and support for first responders, medical professionals, and vulnerable populations (e.g., seniors and displaced workers) who are most affected by the COVID-19 crisis.
 - Eligibility:
 - § Must be a 501(c)(3) organization providing services in the North Texas area.
 - § Must provide services addressing immediate or long-term relief efforts in response to the COVID-19 crisis.
- **The Greater Houston COVID-19 Recovery Fund ([here](#))**
 - Status: Accepting inquiries; as of the date of this writing, does not yet have an open grant application process.
 - Uses: To serve the most vulnerable members of the community suffering from the negative impacts of the COVID-19 crisis.
 - Eligibility:
 - § Nonprofits serving the Greater Houston area (Harris, Fort Bend, Montgomery, and Waller Counties).
 - § Must have proven experience and systems in place to serve the community in times of disaster.
- **The All Together ATX Fund Rapid Response Grants ([here](#))**
 - Status: Applications for Phase 1 closed on April 10, 2020. It is anticipated that additional funding will be made in mid-summer and early fall.
 - Amount: TBD; up to \$25,000 in Phase 1.
 - Uses: To provide direct services addressing the economic impact of reduced and lost work resulting from the COVID-19 crisis; immediate needs of economically vulnerable populations caused by the COVID-19 crisis; and increased demand for medical information and support.
 - Eligibility:
 - § Nonprofits with deductible contribution status; government agencies; or nonprofit faith communities.
 - § Must be an organization located in Austin, Texas and surrounding counties (Bastrop, Caldwell, Hays, Travis, and Williamson).
- **San Antonio Area Foundation COVID-19 Response Fund ([here](#))**
 - Status: Accepting grant applications on an ongoing basis. Grant decisions are typically made within 10 days from submission.
 - Amount: Range from \$5,000 to \$50,000.
 - Uses: May be used for general operations; may not be used for endowments, capital campaigns, religious purposes, scholarships, debt reduction or certain operating deficits, or political activities.

- Eligibility:

- § 501(c)(3) nonprofit organizations serving the residents of Bexar and surrounding counties (Atascosa, Bandera, Comal, Guadalupe, Kendall, Medina, and Wilson counties).

- § Must have deep roots in the community and experience serving economically vulnerable populations or populations lacking health insurance or access to medical information and support.

5. General

- **SCORE Association** ([here](#))

- SCORE connects small businesses with volunteer mentors with skill sets and experience to help small business owners. SCORE has offices across the U.S., with a number of chapters in Texas.

- **Texas Small Business Development Centers (“SBDC”)** ([here](#))

- SBDCs provide consulting and training for small business, and remain open during the COVID-19 crisis. Local chapters include:

- § The Texas State SBDC, which prepared a detailed roadmap and FAQs for obtaining small business relief under the Coronavirus Aid, Relief, and Economic Security (CARES) Act ([here](#))

- § The North Texas SBDC ([here](#))

- § The South-West Texas Border Small Business Development Center Network ([here](#))

- § The University of Houston Texas Gulf Coast SBDC Network ([here](#))

- **Texas Association of Business State Chamber** ([here](#))

- The Texas Association of Business compiled a COVID-19 Business Resource Tool Kit.

Virginia Resources

Please note that these materials have been prepared for general informational purposes only and are not intended as legal advice. In addition, while we have endeavored to include information that is up-to-date at the date of this document, this is a rapidly evolving situation with new governmental programs and guidance being released every day. As such, we recommend you research all of the options available to you and, if possible, consult with an attorney or local legal aid office.

Please note that many city and county governmental bodies, as well as private organizations, are providing additional loans, grants and other forms of relief targeted at small businesses and nonprofits. While we have summarized a number of these programs below, this list is not complete. As such, we recommend that you go online and research what programs are available in your specific area or for your specific type of business/nonprofit.

1. Virginia Governmental and Private Resources

- **Virginia Career Works: Workforce Innovation and Opportunity Act** ([here](#))
 - Amount: Not to exceed \$25,000
 - Uses:
 - § Cleaning and sanitation, work from home software, remote access supplies, and other layoff-aversion measurers
 - § Not to be used for payroll and fringe benefits
 - Eligibility:
 - § A business with employees located in Northern Virginia
 - § 250 or fewer employees
 - § Completion of COVID-19 Rapid Response funding application and budget spreadsheet

2. Labor and Workforce Support for Businesses and Employees

- **Support for Affected Workers Announced by Governor Northam** ([here](#))
 - Directed the Commissioner of the Virginia Employment Commission to waive the one-week waiting period for unemployment benefits to ensure workers can receive benefits as soon as possible.
 - Workers may be eligible to receive unemployment benefits if an employer needs to temporarily slow or cease operations due to COVID-19.

3. Eviction and Foreclosure Protections

- **Virginia Supreme Court Order** ([here](#))
 - The Virginia Supreme Court has temporarily suspended all eviction proceedings through April 26, 2020. You can check the court's website ([here](#)) for updates. Note that the Virginia Supreme Court did not suspend rent payments.

4. Emergency Relief Funds for Eligible Nonprofits

- **The Community Foundation for Northern Virginia** ([here](#))
 - Amount: Not stated, fund is still accepting donations as of the time of this writing. Found two applications closed as of March 31, 2020; round three grants announced in late April or early May 2020.
 - Uses: General operational expenses
 - Eligibility:
 - § Northern Virginia non-profit
 - § Focus on basic needs assistance or emergency financial assistance to vulnerable neighbors—seniors, low income families, residents who are food insecure or who have no or low insurance, residents lacking sick days, residents with limited language proficiency, quarantined residents, gig-workers, immigrants, and communities of color
- **Harrisonburg-Rockingham COVID-19 Community Response Fund** ([here](#))
 - Amount: Not stated, fund is still accepting applications as of the time of this writing and will distribute funds in phases
 - Uses: General operational expenses
 - Eligibility: Non-profit human services organization rooted in Harrisonburg or Rockingham County, Virginia
- **Community Foundation of the Central Blue Ridge: COVID-19 Local Response Fund** ([here](#))
 - Amount: Not stated; at the time of this writing, no formal application process is available, but you may wish to inquire directly with the fund
 - Uses: General operational expenses
 - Eligibility: Non-profit organization serving residents of Staunton, Waynesboro, Augusta, Highland, and Nelson Virginia
- **Williamsburg Community Foundation: Community Emergency Response Fund** ([here](#))
 - Amount: Not stated; at the time of this writing, the fund expects to release more information about grants criteria and distribution in the coming weeks
 - Uses: General operational expenses
 - Eligibility: Non-profit organization providing direct services to the communities of Williamsburg, James City, and upper York County Virginia
- **ACT Now COVID-19 Response Fund** ([here](#))
 - Amount: Average award is \$5,000, requests accepted up to \$10,000
 - Uses: Related to the increased demand as a result of COVID-19, including expansion of programs and services, purchasing of supplies, change in service delivery model, and developing new programs
 - Eligibility:
 - § Focused on the needs of Alexandrians

- § Focused solely on critical basic needs (i.e. food, shelter, emergency health supplies) and/or adjustments in service delivery models to accommodate these emergency assistance areas
- § Will prioritize requests that assist children and youth, people disproportionately impacted by the crisis including low-wage workers, gig economy workers, people experiencing homelessness or at-risk of experiencing homelessness, healthcare and emergency response workers, seniors and immigrants, especially those who lack documentation
- **Arlington Community Foundation COVID-19 Prompt Response Fund** ([here](#))
 - Amount: \$5,000; \$10,000; or \$20,000
 - Uses: Assistance for COVID-19 related setbacks, including expanded services, financial assistance for clients, patients or residents, food or other emergency purchases or protective gear
 - Eligibility: Non-profit organization serving the Arlington population—focus on elderly, low income residents, food insecure residents, under and noninsured residents, and healthcare workers
- **Community Foundation for Greater Richmond: Central Virginia COVID-19 Response Fund** ([here](#))
 - Amount: Any amount is considered, expected to be between \$10,000 and \$50,000
 - Uses: Operational expenses for those providing crisis response services, increased demand for current services, and hardship due to loss of revenue
 - Eligibility: Must provide services in central Virginia
- **Community Foundation for Loudoun and Northern Fauquier Counties** ([here](#))
 - Amount: Not stated
 - Uses: Operational expenses
 - Eligibility: Local non-profit organization in Loudoun or Northern Fauquier County providing direct financial assistance to meet basic needs such as housing, utilities, and medical expenses due to COVID-19, or providing services such as food distribution, shelter, housing, and healthcare to address COVID-19's impact
- **Shenandoah Valley Workforce Development Board Layoff Aversion Grants** ([here](#))
 - Amount: Up to \$5,000
 - Uses: Purchasing items for remote access (i.e. hardware or software); cleaning and sanitation supplies
 - Eligibility:
 - § Located in Rockbridge, Augusta, Rockingham, Bath, Highland, Shenandoah, Page, Frederick, Clarke, or Warren County, or the cities of Lexington, Buena Vista, Waynesboro, Staunton, Harrisonburg, or Winchester
 - § 250 or fewer employees
 - § Priority given to industries including manufacturing, health care, transportation and logistics, and construction

5. General

- **Virginia State Government Website**, providing a variety of COVID-19 related resources, including news releases and continually updated guidance ([here](#))
- **Virginia Tourism Corporation**, providing webinars on a variety of COVID-19 related topics ([here](#))
- **Virginia Small Business Development Center**, providing a variety of webinars regarding COVID-19, including certain Spanish-language resources ([here](#))
- **Fairfax County, Virginia Website**, providing webinars and counseling and mentoring resources on a variety of COVID-19 related topics ([here](#))
 - Virginia Department of Health guidance on absenteeism and sick leave policies ([here](#))
 - Q&A on unemployment insurance claims related to COVID-19 ([here](#))