

## **Paycheck Protection Program (PPP)**

Under the CARES act, the Small Business Administration (SBA) has loan funds that may be forgiven under the Paycheck Protection Program (PPP). The focus is on “small” (less than 500 employees) business. PPP funds are provided in the form of **loans that will be fully forgiven** when used for up to 8 weeks of payroll costs, rent, and utilities (due to likely high subscription, at least 75% of the forgiven amount must have been used for payroll). Loan payments will also be deferred for six months. No collateral or personal guarantees are required. Neither the government nor lenders will charge small businesses any fees.

Unlike the EIDL program, where one applies directly to SBA, applications for PPP are made through banks that participate in SBA’s 7(a) loan program. Most commercial banks, federally insured credit unions, etc. would qualify.

Note that companies can apply as of **April 3**. As funds are limited, prompt application is recommended.

Additional information can be found at [www.sba.gov](http://www.sba.gov).

Note: Guidance from SBA administrators is to apply for all available programs, then choose what fits best with your need and situation.