Under the CARES Act, the US Small Business Administration (SBA) has launched two programs to help manage the challenges presented by COVID-19, which are summarized below. Note that these programs do not the typical SBA requirements of proof that you can’t get credit elsewhere or a personal guarantee.

The Jewish Federations of North America (JFNA) put together this online SBA Loan Info Guide and will be hosting a webinar on Monday 3/30 at 4:30pm that is open to everyone for which you can register here.

**SBA 7(a) Paycheck Protection Program (PPP)**

- Nonprofit eligibility: nonprofits with fewer than 500 employees
- Loan amount: up to $10M based on 2.5x avg monthly payroll with a cap of $100k/employee
- Permitted uses: payroll support up to $100k/person, including: sick time, healthcare, rent, etc.
- Interest rate: maximum 4%
- Term: maximum 10 years
- Deferred payments: up to 1 year
- Loan forgiveness: if you maintain staffing and salary levels at 2019 levels, up to 8 weeks of payroll and associated expenses, (e.g. benefits, rent/mortgage payments, utilities, interest on debt) may be forgiven, with less than 8 weeks forgiven if you have to furlough or terminate staff; details TBD.
- Fees: waived
- Size: $349B
- Process: loans will be granted on a first-come, first-served basis, so *time is of the essence to apply* because it is estimated that over 4M for profit and nonprofit organizations are eligible
- Application: details are expected on the SBA website early this week
- Lenders: loans will be made through existing 7(a) lenders who opt into the program with additional lenders expected to be approved within 2 weeks, and you can find an SBA approved lender here

**SBA Economic Injury Disaster (EID) Loans**

- Nonprofit eligibility: all nonprofits
- Loan amount: up to $2M
- Permitted uses: flexible, however organizations cannot receive both 7(a) PPP and EIDL, unless the loans are for different purposes, e.g. payroll for 7(a) PPP and other operating expenses for EIDL
- Interest rate: 2.75% for nonprofits
- Term: determined on a case by case basis up to 30 years
- Size: $10B
- Application: available online, with online assistance available

**SBA Emergency Economic Injury Grants**

- Nonprofit eligibility: all nonprofits
- Grant amount: $10,000
- Criteria: This advance will be paid within 3 days of application for an EID Loan to all grant applicants and is not be required to be repaid even if you don’t receive an EID loan