

# Business FAQ



The COVID-19 AID, RELIEF AND ECONOMIC SECURITY (CARES) ACT provides funding for multiple programs and traditional Small Business Administration Loans, including the ones listed below. More information can be found at [Floridajobs.org/COVID-19](https://Floridajobs.org/COVID-19), [DEO's Business Resources FAQ](#), and [Florida Chamber of Commerce: COVID-19 Resource Center](#).

## **Small Business Administration (SBA) Economic Injury Disaster Loans (EIDL)**

- If you have suffered substantial economic injury and are one of the following types of businesses located in a declared disaster area, you may be:
  - Small business
  - Small agricultural cooperative
  - Most private nonprofit organizations
- EIDL assistance is only available to small businesses when SBA determines they are unable to obtain credit elsewhere.
- The loan amount is based on your actual economic injury and your company's financial needs, and can provide up to \$2 million to help meet financial obligations and operating expenses that could have been met had the disaster not occurred.
- The interest rate will not exceed 4% per year.
- The term of the loan will not exceed 30 years.
- The repayment term will be determined by your ability to repay the loan.
- You can contact the SBA disaster customer service center via phone 1-800-659-2955, email [disastercustomerservice@sba.gov](mailto:disastercustomerservice@sba.gov) for more information and apply at <https://disasterloan.sba.gov/ela/LoanApplication/StartApplication>.

## **Small Business Administration (SBA) Debt Relief Program**

- The SBA Debt Relief program will provide a reprieve to small businesses as they overcome the challenges created by this health crisis. Under this program the SBA will pay the principal and interest of new 7(a) loans issued prior to September 27, 2020. The SBA will also pay the principal and interest of current 7(a) loans for a period of six (6) months.
- You can contact the SBA via phone 1-800-659-2955 or by email at [DisasterCustomerService@sba.gov](mailto:DisasterCustomerService@sba.gov) for more information or visit <https://www.sba.gov/funding-programs/loans/coronavirus-relief-options/sba-debt-relief>.

## **Paycheck Protection Program**

- A new program within the SBA that provides a paycheck protection for small employers, self-employed individuals and "gig economy" workers. This funding helps prevent workers from losing their jobs and small

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businesses from closing their doors due to economic losses caused by the COVID-19 pandemic. Existing and new SBA lenders will be able to offer these loans to eligible businesses. The Paycheck Protection Program will be 100% guaranteed by the SBA and have an interest rate of 4%.

- The program provides eight (8) weeks of cash-flow assistance through 100% federally guaranteed loans. The SBA will forgive loans if all employees are kept on the payroll for eight weeks and the money is used for payroll, rent, mortgage interest or utilities.
- Eligible businesses include:
  - Businesses and 501(c)(3) organizations with less than 500 employees;
  - Sole proprietors, independent contractors and self-employed individuals;
  - Small businesses in the hospitality and food service industry with more than one location, if the store or location employs fewer than 500 workers; and
  - For franchises that appear in the SBA's National Franchise Directory, assistance will be extended to the franchise at the store or location level.
- Funding can cover the following costs:
  - Payroll costs;
  - Costs related to the continuation of group health care benefits during periods of paid sick, medical, or family leave, and insurance premiums;
  - Employee salaries, commissions, or similar compensations;
  - Payments of interest mortgage payments (which shall not include any prepayment of, or payment of principal on a mortgage obligation);
  - Rent (including rent under a lease agreement);
  - Utilities;
  - Interest on any other debt obligations that were incurred before 2/15/2020.
- You can contact the SBA via phone 1-800-659-2955 or by email at [DisasterCustomerService@sba.gov](mailto:DisasterCustomerService@sba.gov) for more information

**NOTE: The SBA is currently unable to accept new applications for the Paycheck Protection Program based on available appropriations funding. More information can be found: <https://www.sba.gov/funding-programs/loans/coronavirus-relief-options/paycheck-protection-program-ppp>**

**Is the entire amount of the Paycheck Protection loan eligible for forgiveness for the Paycheck Protection Loan Program?** The amount of loan forgiveness under this section should not exceed the principal amount of the financing made available under the applicable loan. The amount of loan forgiveness should not exceed the total sum of:

- The total payroll costs incurred by the eligible recipient during the covered period;

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- The amount of payments made during the covered period on debt obligations that were incurred before the covered period; and
- The amount of loan forgiveness is reduced if the businesses full-time equivalent count has been reduced.

## The Short Time Compensation Program

- The Short Time Compensation Program helps employers retain their workforce in times of temporary slowdown by encouraging work sharing as an alternative to a layoff.
- The program permits prorated Reemployment Assistance benefits to employees whose work hours and earnings are reduced as part of Short Time Compensation plan.
- Eligibility Requirements:
  - Employers must describe a plan for giving notice, if feasible, to an employee whose workweek is to be reduced, together with an estimate of the number of layoffs that would have occurred absent the ability to participate in this program.
  - If you are a client company trying to apply for a plan for leased employees, contact the leasing company. They will need to file a plan separately on behalf of their employees.
  - Reduced hours must be used as a temporary solution to avoid a layoff. The employer must submit a Short Time Compensation plan application to the Short Time Compensation Coordinator, Reemployment Assistance Services.
  - Individuals participating in an employer-sponsored training may also be eligible to participate in the short-time compensation program.
  - Participating employees must be full-time (at least 32 hours/week), permanent employees, and the employees must have a set number of hours that they work each week in order to participate. Employees paid piece rate, on compensation, or who are hired to do certain jobs regardless of the time required are not eligible for participation.
  - Benefits of program are payable when normal hours of work are reduced from 10-40%. If normal work hours exceed 40, the percentage will be based on 40 hours.
  - Each week that program benefits are claimed, at least 10% of the employees from the total staff or within a particular unit must be working reduced hours.
- To apply for the program, please follow this link to the Employer Login page of [CONNECT](#).
- For more information you can contact Florida Department of Economic Opportunity via phone 1-800-204-2418.

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## Small Business Emergency Bridge Loan Program

- The Florida Small Business Emergency Bridge Loan Program provides short-term, interest-free working capital loans that are intended to “bridge the gap” between the time a major catastrophe hits and when a business has secured longer term recovery resources.
- For more information you can contact Florida Department of Economic Opportunity via phone (833)-832-4494 or by email at [FloridaBusinessLoanFund@deo.myflorida.com](mailto:FloridaBusinessLoanFund@deo.myflorida.com).

## Microfinance Guarantee Program

- The Microfinance Guarantee Program is available to stimulate access to credit for entrepreneurs and small businesses in Florida by providing targeted guarantees to loans made to such entrepreneurs and small businesses. Funds appropriated to the program must be reinvested and maintained as a long-term and stable source of funding for the program. For more information you can visit [here](#).

## Small Business Loan Program

- The Small Business Loan Program is available to qualified businesses that demonstrate adequate historical and/or proposed cash flow coverage and other credit underwriting metrics. The loan proceeds must be used for a business purpose. For more information you can visit [here](#) or can contact Enterprise Florida via phone (407)-956-5600.

## Rebuild Florida Business Loan Fund

- The Florida Business Loan Fund provides financing to assist businesses with resiliency efforts. The funds will address the current gap in available, affordable capital for businesses that can be used for inventory purchases, construction, working capital, equipment financing and more. For more information you can visit [here](#) or contact the Florida Department of Economic Opportunity via phone 833-832-4494 or by email at [FloridaBusinessLoanFund@deo.myflorida.com](mailto:FloridaBusinessLoanFund@deo.myflorida.com).