

## Resources for Small Businesses in Response to the Coronavirus

As your trusted business advisor, the South Dakota Small Business Development Center aims to provide you timely and helpful information. Listed below are a variety of resources that are aimed to help you navigate these uncharted waters. We will do our best to keep this listing updated for your convenience but remember that information is constantly changing on all fronts so it is always best to confirm information directly with the agency in charge. As always, please contact your local SBDC office with questions.

<https://sdbusinesshelp.com/small-business-development-center/contact/>

SMALL BUSINESS RESOURCES FOR COVID-19 from America's SBDC Network

<https://americassbdc.org/coronavirus-information/>

### BUSINESS OPERATIONS

SBA Guidance for Businesses and Employers to Plan and Respond to Coronavirus Disease 2019 –

<https://www.sba.gov/page/guidance-businesses-employers-plan-respond-coronavirus-disease-2019-covid-19>

NEW LAW PASSED REQUIRING SICK LEAVE – Families First Coronavirus Response Act has been signed by President Trump. Small businesses—those with 500 or fewer employees—will be required to give employees two weeks paid sick leave (if they are sick or isolated because of the coronavirus health emergency or they have to watch a family member due to a school or child care closing) and up to 10 weeks paid family leave—but the government will reimburse businesses for the cost of that leave through a tax credit to be applied to the business' payroll tax payments. Link to IRS release with additional details:

<https://www.irs.gov/newsroom/treasury-irs-and-labor-announce-plan-to-implement-coronavirus-related-paid-leave-for-workers-and-tax-credits-for-small-and-midsize-businesses-to-swiftly-recover-the-cost-of-providing-coronavirus>

CARES ACT – This includes cash payments to households, extended unemployment benefits and paycheck protection loans. See more details below on financing programs.

GRAPHIC - “Ways to Support Local Businesses During Coronavirus” graphic – A nice handout, poster or social media graphic to share.

<https://www.facebook.com/webbcitychamber/photos/a.365156100183475/3063031697062555/?type=3&theater>

VIDEO - Sioux Falls-based Fresh Impact hosts consulting CFO Megan Dahle – “What Your Business Can Financially Do Right Now” <https://www.facebook.com/FreshImpactllc/videos/220277412501043>

ARTICLE - “Seven ways to support the small businesses in your community during the coronavirus crisis”

<https://www.inc.com/jason-aten/7-ways-to-support-small-businesses-in-your-community-during-coronavirus-crisis.html>

INFORMATION: 211 Helpline Center is assisting in the response to COVID-19 issue by compiling a list of events/sites with closures, cancellations or restrictions. If you need to post a closure or cancellation, be sure to list it here if your area is served by the Helpline Center.

<https://www.helplinecenter.org/2-1-1-community-resources/helpsheets/coronavirus-update/>

INFORMATION: Rhonda Abrams, small business guru, is holding a daily Facebook Live get-together at 1pm EDT/10am Pacific at [www.facebook.com/RhondaAbramsSmallBusiness](http://www.facebook.com/RhondaAbramsSmallBusiness) on coronavirus topics affecting small business.

## DEBT RELIEF FOR EXISTING AND NEW SBA BORROWERS

SBA will cover all loan payments for existing SBA borrowers with standard SBA 7(a), 504, or microloans, including principal, interest, and fees, for six months. This relief will also be available to new borrowers who take out an SBA loan within six months (9/27/20) after the President signs the bill. While SBA borrowers are receiving the six months debt relief, they may apply for a PPP loan that provides capital to keep their employees on the job. The six months of SBA payment relief may not be applied to payments on PPP loans or SBA disaster loans.

## FINANCING

First and foremost, be sure to make contact with any of your business creditors to inform them of your situation and work with them on possible remedies during this time.

**Economic Injury Disaster Loans (EIDL) and Emergency Economic Injury Grants. (Round 2)** SBA provides direct loans to small businesses to be used to pay for expenses that could have been met had the disaster not occurred, including payroll and other operating expenses. When applying for an SBA Economic Injury Disaster Loan (EIDL), businesses can also request an **advance (grant) of \$10,000** which will be prorated at \$1,000 per employee. Applications can be submitted at <https://covid19relief.sba.gov/#/>. Loans will be at 3.75% for up to 30 years (2.75% for qualified non profits). Business must be able to show ability to repay and have acceptable credit. Current deadline is 12/31/2020.

Applicants can go to <https://disasterloan.sba.gov/ela/> to check the status on their applications. Applicants will need their USERNAME and PASSWORD to get check the status of their application. The SBA is starting to fund applications, but the huge amount of interest in the programs is creating a backlog that is delaying funding for many applicants. For other questions, contact the SBA call center at (800) 659-2955 (TTY: 1-800-877-8339) or email [disastercustomerservice@sba.gov](mailto:disastercustomerservice@sba.gov). The call center is open Monday – Sunday, 8a.m. – 8p.m. ET.

Webinar on SBA Disaster Loan hosted by SD Tourism on 3/26/20:  
[https://www.youtube.com/watch?v=PWWWhG8hml\\_0&feature=youtu.be](https://www.youtube.com/watch?v=PWWWhG8hml_0&feature=youtu.be)

**Paycheck Protection Program (PPP) (Round 2)** will provide small businesses, certain non-profits and other entities with zero-fee loans. The maximum loan amount is 250% of one month's payroll costs (which includes wages, tips, health care, paid sick/family leave, vacation, retirement benefits but NOT federal payroll taxes). You can use loan proceeds for payroll, rent, commercial mortgage payments, utilities. Up to 8 weeks of average payroll and other costs will be forgiven if the business retains its employees and their salary levels. Application for forgiveness must be made to the lender. Principal and interest is deferred for up to a year and all borrower fees are waived. These loans are available through SBA 7a lenders. For

unforgiven loan balances, the maximum interest rate is 4% with up to a 10 year payback (Terms have since been set at 1% over 2 years with no payments for first 6 months.) No personal guarantee is required. Small businesses and sole proprietorships can apply starting April 3, 2020. Independent contractors and self-employed individuals can apply starting April 10, 2020. <https://www.sba.gov/funding-programs/loans/paycheck-protection-program-ppp>

**SBA Express Bridge Loan Pilot Program** allows small businesses who currently have a business relationship with an SBA Express Lender to access up to \$25,000 with less paperwork. These loans can provide vital economic support to small businesses to help overcome the temporary loss of revenue they are experiencing and can be a term loans or used to bridge the gap while applying for a direct SBA Economic Injury Disaster loan. If a small business has an urgent need for cash while waiting for decision and disbursement on Economic Injury Disaster Loan, they may qualify for an SBA Express Disaster Bridge Loan.

Terms

Up to \$25,000

Fast turnaround

Will be repaid in full or in part by proceeds from the EIDL loan

**SBA Express Loans:** The maximum loan amount for SBA Express loans is increased from \$350,000 to \$1 million. Express loans provide borrowers with revolving lines of credit for working capital purposes.

**South Dakota Small Business Relief Program (This fund has been fully allocated; no further applications are being accepted)** - The Legislature passed a law on 3/30/20 which established a \$10.5 million loan fund to provide loans up to \$75,000 to businesses with no more than 250 employees who have been impacted by the coronavirus pandemic. The loans will be at 0% with no fees for up to 60 months. As of 4/23/20, this fund was approximately 50% committed. The program will be administered by the Governor's Office of Economic Development. <https://sdgoed.com/covid-19/>

## **IRS PAYROLL TAX PROVISIONS (not available to PPP borrowers)**

**Employee Retention Credit for Employers Subject to Closure or Experiencing Economic Hardship.** A refundable payroll tax credit for 50 percent of wages paid by eligible employers to certain employees during the COVID-19 crisis. The credit is available to employers, including non-profits, whose operations have been fully or partially suspended as a result of a government order limiting commerce, travel or group meetings. The credit is also provided to employers who have experienced a greater than 50 percent reduction in quarterly receipts, measured on a year-over-year basis. The credit is not available to employers receiving assistance through the Paycheck Protection Program. The credit is provided through December 31, 2020.

**Delay of Payment of Employer Payroll Taxes.** Taxpayers can defer paying the employer portion of certain payroll taxes through the end of 2020 (beginning with April taxes). All 2020 deferred amounts are due in two equal installments, one at the end of 2021, the other at the end of 2022. Payroll taxes that can be deferred include the employer portion of FICA taxes, the employer and employee representative portion of Railroad Retirement taxes (that are attributable to the employer FICA rate), and half of SECA tax liability. Deferral is not provided to employers receiving assistance through the Paycheck Protection Program.

## Private Funding Programs

**Facebook Grants** – A pledge of \$100 million to small business grants and advertising credits. Learn more at [www.facebook.com/grantsforbusiness](http://www.facebook.com/grantsforbusiness)

**Save Small Business Fund** - U.S. Chamber of Commerce Foundation, with founding partner Vistaprint, has launched a grant program to provide \$5,000 grants to small employers in economically vulnerable communities impacted by the coronavirus pandemic. Visit [savesmallbusiness.com](http://savesmallbusiness.com) to learn more.

**Google Ad Credits** - \$340 million in Google Ads [credits](#) will be available to all SMBs with active accounts over the past year. Credit notifications will appear in their Google Ads accounts and can be used at any point until the end of 2020 across Google advertising platforms.

**The Salesforce Care Small Business Grant** - Salesforce is partnering with Ureeka to offer eligible small businesses the opportunity to receive a \$10,000 grant to help them through the COVID-19 outbreak. Applications will open in 2 phases based on location; each phase will have 1 week to apply. Midway through the page, there's a state-by-state map to see when your state's phase is open. [Applications start for Phase 1 TODAY!](#)

**eBay Launches “Up and Running”** - The new program was created to help new small businesses transitioning to e-commerce through the COVID-19 crisis. The program is a pledge of up to \$100 million in support for small businesses across North America.

The program includes:

- Free basic eBay store subscription and waive selling fees for 3 months
- 500 free listings
- Guidance and resources needed to run business on eBay

Visit <https://pages.ebay.com/upandrunning/> to learn more.

## UNEMPLOYMENT ASSISTANCE

The CARES Act included an expansion of unemployment benefits for affected workers and also expanded these benefits to certain business owners/sole proprietors. This program will be administered through the state’s Department of Labor Reemployment Assistance Division. As of April 9, 2020, the state has begun processing the additional \$600 payment for employees receiving unemployment assistance. For the **expanded eligibility to small business owners, the State is currently accepting** applications under the title of Pandemic Unemployment Assistance (PUA). Small business owners DO NOT have to close their businesses to be eligible. Benefits may be available if the business owner has experienced a reduction in sales due to COVID-19. Decisions will be made on a case-by-case basis. Information and link to apply for the PUA assistance is here: <https://dlr.sd.gov/ra/pua.aspx> General information on all COVID programs administered by DLR can be found at <https://dlr.sd.gov/ra/cares.aspx>. Webinar on COVID 19 unemployment benefits recorded 3/27/20 (does not address expanded unemployment benefits from the CARES Act): <https://youtu.be/Fyj4j37ktZc>

## **GOVERNMENT AGENCY COVID-19 LINKS**

### **South Dakota:**

State of South Dakota (Department of Health), links to impact map, recent news and other resources.

<http://covid.sd.gov/>

South Dakota Department of Labor and Regulation, listing of various resources for employers including unemployment eligibility, human resources issues, and specific industry information.

[https://dlr.sd.gov/covid\\_19\\_resources.aspx](https://dlr.sd.gov/covid_19_resources.aspx)

Bureau of Finance and Management Economic Dashboards: <https://bfm.sd.gov/dashboards/Default.aspx>

### **Federal Government:**

Centers for Disease Control and Prevention, for health information about the COVID-19 virus.

<https://www.coronavirus.gov>.

Small Business Administration includes information on supply chain shortfalls, facility remediation, emergency planning, and much more.

[www.sba.gov/coronavirus](http://www.sba.gov/coronavirus)

Internal Revenue Service, information to help taxpayers, businesses and others affected by the coronavirus. The web page will be updated as new information becomes available.

<https://www.irs.gov/coronavirus>

United States Department of Ag (USDA), information on Rural Development loan payment assistance, application deadline extensions, and more.

[www.rd.usda.gov/coronavirus](http://www.rd.usda.gov/coronavirus)

Government, other information about actions being taken by the U.S. government

<https://www.usa.gov/coronavirus> and in Spanish at <https://gobierno.usa.gov/coronavirus>