

Government Programs Available for Assistance

**APPLY BY 3/31 TO TAKE
ADVANTAGE OF MULTIPLE PROGRAMS!**

March 26, 2020



PeoplesBank

Government Programs Available for Assistance



At PeoplesBank, we're here to help. Right now, we know that times are tough for businesses and we understand that you may be faced with difficult decisions in the near future. To offer as much help as we can, we have compiled a list of federal and state programs that are offering assistance during this difficult time. However, the deadline is quickly approaching for you to take advantage of multiple SBA programs.

At the time of this communication, it is our understanding that if you apply by March 31, 2020, you can apply for more than one SBA loan. After March 31, 2020, you may only apply for one SBA loan.

SBA Economic Injury Disaster Loan Assistance Program



- SBA Economic Injury Disaster Loan Assistance Program
- Loan amounts up to \$2,000,000 may be used to pay fixed debts, payroll, accounts payable, and other bills that could have been paid had the disaster not occurred. This is not intended for lost sales, profits, consolidation or for expansion. Low fixed rates are offered with repayment up to 30 years.
- Eligible applicants – small businesses, small agricultural cooperatives, small aquaculture businesses and most private non-profit organizations
 - Eligible businesses include, but not limited to: hotels, recreational facilities, restaurants, owners of rental property, retailers, wholesalers, travel agencies, manufacturers
 - Ineligible businesses include: religious organizations, agricultural enterprises, gambling/racetracks, charitable organizations
 - Upon loan closing, initial disbursement on the first \$25,000 will occur within 5 days

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SBA – New Paycheck Protection Program*



While information on this program is not yet on the SBA website, we expect additional information soon. This loan will be provided through PeoplesBank's partnership with SBA, so please work with your dedicated commercial relationship officer or contact Tammy Clark-McFadden, our SBA Director, at 717-668-1505 or tclark-mcfadden@peoplesbanknet.com for more information. The loan is proposed to have a low interest rate with part of the proceeds potentially being forgivable.

- Through the SBA's 7(a) program, \$349 billion will be authorized for loans to help small businesses cover payroll, mortgage or rent payments and utilities
- Eligible applicants – eligible business has 500 or fewer employees or based on the NAICS codes; non-profits eligible for the 7(a) program; self-employed/independent contractors. A business does not need to meet the “no credit elsewhere” test.
- Waives collateral and personal guarantee requirements
- Apply – the SBA process is still to be determined. . If you are interested in applying for this loan, please contact your commercial relationship officer or Tammy Clark-McFadden so we can keep you informed of next steps.
- **Note: If the borrower applies for the ABA's Disaster Emergency Loan before March 31, 2020, they can also apply for the Paycheck Protection Loan. If the borrower applies after March 31, 2020, they will need to choose one or the other.**

*These programs are part of the Economic Security Act or the CARES Act that is pending approval.

SBA “CARES Act” proposed 7(a) program changes:



- Once approved, the SBA will be making some substantial changes to its existing 7a program through the “CARES Act”, increasing the maximum loan amount to \$10MM through 12/31/20 for 7a loans
- Increasing the Express loan amount to \$1MM 12/31/20. After 12/31/2020 the maximum loan amount will be reduced to \$500,000
- Please contact Tammy Clark-McFadden at 717-688-1505 for more information.

Federal Reserve – Main Street Business Lending Program*



This program supports lending to eligible small and medium-sized businesses, complementing efforts by the SBA. Details have not been provided and roll out may be depending on additional funding measures being approved. Contact your commercial relationship officer if you are interested in being kept up to date on this lending program.

*These programs are part of the Economic Security Act or the CARES Act that is pending approval.

Maryland Programs



Maryland has authorized \$130 million in loan and grant funding for small businesses and manufacturers that have been negatively impacted by the Coronavirus (COVID-19). This emergency assistance provides interim relief and proceeds that can be used to pay cash operating expenses including payroll, suppliers, rent, fixed debt payments and other mission critical cash operating costs.

The Maryland Department of Commerce is offering three new business assistance programs in response to the COVID-19 pandemic.

Maryland Small Business COVID-19 Emergency Relief Loan Fund



- This \$75 million loan fund offers working capital to assist Maryland for-profit small businesses disrupted operations due to COVID-19. Loan assistance is intended to provide interim relief complementing actions with its bank, business interruption insurance, and financial partners. Loan amounts up to \$50,000 with low interest rate are available.
- Eligible applicants - Maryland for-profit businesses impacted by the COVID-19 with fewer than 50 employees.
- Eligible uses include: working capital to support payroll expenses, rent, mortgage payments, utility expenses, or other similar expenses that occur in the ordinary course of operations.

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Maryland Small Business COVID-19 Emergency Relief Grant Fund



- \$50 million grant program with grants for up to \$10,000 for eligible applicants.
- Eligible applicants - Maryland businesses and nonprofits impacted by the COVID-19 with fewer than 50 employees.

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[Learn More](#)

Maryland COVID-19

Emergency Relief Manufacturing Fund



This \$5 million incentive program helps Maryland manufacturers to produce personal protective equipment (PPE) that is urgently needed by hospitals and health-care workers across the country. More details are expected to be announced by Friday, March 27, 2020.

[Learn More](#)

