

0:05

Good morning, and welcome this morning. We appreciate you taking the time to attend this webinar. We apologized for starting a few minutes later. We do have quite a few attendees that's jump on right at the top of the hour and it destabilizes some of the technology. So we did just want to give it a couple of minutes so that the technology could stabilize. My name is Tammy glendenning and I am an economic development specialist with the Wisconsin District of the small business administration.

0:35

And we realize that these are very unprecedented times here in our country. And obviously the safety and health of our citizens is about most important. This is also very troubling time for small businesses.

0:49

The FDA has been providing ongoing support and assistance for small businesses for more than 65 years, and we will continue to provide ongoing support to help small businesses start grow expand and of course not I'll recover this webinar is intended to be an introduction to the economic injury disaster loan and the process again, it's just an introduction.

1:15

It'll be a bit of a who what where when why We will try to answer your questions to the best of our ability. There are some that we will be able to answer. We may have to defer to The Disaster Assistance people as well. So we will have contact information for them. I would like to thank Nate from our Small Business Development Center. He is providing all the a technical assistance and will be handling the question-and-answer Q later on in the presentation at this time.

1:48

We would ask you to hold questions until The end there is a question box. If you want to go ahead and for questions and there we will handle those in queue at the end of the presentation. If you do have issues with your screen or with your audio, please raise your hand in the chat box or answer a question and they will try to address those and with that we will get started with the webinar.

2:18

So there is a process involved in the economic injury disaster loan. What happens is the governor of the state must send a request to the administrator of the SBA requesting a disaster declaration for a particular area where they are experiencing a disaster here in Wisconsin that did occur last week. And as of last Friday evening all 72 counties here in Wisconsin.

2:45

We're included in the disaster declarations. Meaning that the economic injury disaster loan is now available to all small businesses here in the state of Wisconsin and all 72 counties. We do expect a disaster declaration for all 50 states throughout the country for all of their counties as well. So keep in mind this economic injury disaster loan is going to be receiving a number of applications and so just be shouldn't take that into consideration.

3:15

And to give some contacts normally when there is a disaster declaration. It is on a much smaller scale. So let's say for example here in Wisconsin. If there were a tornado or perhaps flooding disaster declaration would be given for maybe a handful of counties that are affected by the disaster clearly in this particular case with the pandemic. It is very widespread. And therefore that is the reason that all 72 counties here in Wisconsin.

3:45

As well as the rest of the country will be declared disaster areas for purpose of the economic injury disaster loan.

3:55

So what businesses are eligible to apply the fda's economic injury disaster loan is available to small businesses small agricultural cooperatives small aquatic culture businesses and most private nonprofit organizations. And do we do make the distinction of a private nonprofit and municipalities and governmental entities are not eligible for the economic injury disaster loan.

4:24

The business must be directly affected by the disaster or perhaps it may be a business that offers Services directly related to a business and a declared area or business that is businesses that are indirectly affected by the disaster.

4:41

So for example, perhaps a manufacturer of widgets that supplies to a business that's out that's in a disaster area or perhaps an ad agency that provides services to other affected by the disaster So what is the criteria for a loan approval the FDA will take into consideration both the credit history and the repayment ability of the borrower again for the credit history. It does have to be a credit history acceptable to the FDA. They do have a formula for that of which they do consider proprietary. And so we don't have access to that.

5:20

We've had questions about a minimum credit score again that's proprietary information that they don't share with us, but they do Adult small businesses that are eligible to go ahead and apply again. They will also look at the repayment ability of the small business. Obviously the small business does have to have the ability to repay this loan and in terms of Eligibility the applicant business must be physically located in a declared County and have suffered working capital losses due to the declared disaster and not necessarily just a downturn in the economy or other reasons or slower sales.

5:58

Al's it must be directly because of the declared disaster How much can I borrow the interest rate for the disaster loans at 3.75 percent for small businesses and 2.75% for nonprofit organizations the terms May range up to 30 years for repayment. One thing to note is that normally with a disaster loan.

6:33

There is an automatic for month to throw a payments that is built into the The loan however, a recent change for this particular disaster loan is they have extended that deferral to 12 months. So there will be an automatic 12 months and for all before payments will begin on This Disaster loan interest will accrue from day one. But again, it will be a 12-month of rural payment. Excuse me eligibility for these working Capital Loans is based on the size of the organization the small business must be considered small.

7:08

All by definition of a see a standard. So it is the same qualification that is used for a traditional SBA loan and that size standard is based on the particular makes code of the business. So based on the Nate coded Peter annual revenues or based on the number of employees.

7:30

And again, you can check on our website fcer.com / size to make the determination if you are considered a small business However, keeping in mind that either either 96 or 98 percent of all businesses throughout the country are considered small by FDA standards and are eligible for the program. So I would anticipate that the vast majority of the attendees on this call Will qualify as a small business.

7:58

So, how can I use the Loan Fund again? These are working Capital Loans, and they may be used to pay six Des payroll accounts payable and other bills that could have been paid had the disaster not occurred. These are not intended to replace lost sales or profits for expansion for consolidation of other loans. This is simply to working capital loan to help businesses get through this difficult time. And again keeping in mind that there will be men.

8:28

This is applying across the country. So again, it's just really designed as a working capital loan to get businesses through.

8:37

We have had many questions about well, how do I how do I determine how much I need this is not like a typical loan where you would go to the bank and request a specific dollar amount because you're looking to do XY and Z the determination for the loan amount will be made by the loan officer. They do have a formula for that. And again, we are not necessarily privy to what that is.

9:00

I'm not sure if it's based on a four month period or a six month period or how exactly that is determined but that loan Will be determined based on the information that is provided in the application as well as the supporting document. So again, that loan amount is determined by the loan officer and you don't necessarily apply for a specific dollar amount. What are the collateral requirements for an economic injury disaster loan for loans up to \$25,000. There is no collateral requirements.

9:36

However for loans over 25,000 will expect that any and all available collateral will be pledged that may include business real estate and may include personal real estate. So again, that is something that the loan officer will work with the business on but they will expect any and all available collateral to be pledged.

9:58

However, I do want to point out that the SBA will not be Klein alone simply for lack of collateral, but there is the expectation that Available will be pledged and one question that I received in in many of the webinars that we've done is what if it's already pledged to the bank. Well, the SBA will take a subordinate position so they will take a second or a third if that is what is required.

10:26

Third what kinds of small businesses can apply again as we said before? I think the vast majority of small businesses will be eligible for the economic injury disaster loan. They do give a couple of examples here, but again not an all-inclusive list. So we have hotels wreck facilities manufacturers for offenders restaurants retailers travel agencies wholesalers again, I think the vast majority of small businesses will be eligible.

10:55

What other 5:3 is involved.

10:59

The applicant business must have a physical presence in the declared Disaster Area a post office box or an economic presence alone does not qualify and then this doesn't pertain as much to this particular disaster loan because we do expect all 50 states to be included in the disaster declarations, but I'll give an example of what they're referencing there. So let's say for example, you have a business that's located in Minnesota and that is not inadequate.

11:28

Tony but they have a sales rep that's located here in Wisconsin in a county that was given a disaster declaration having that sales person alone in that declare area does not make them eligible for a disaster loan. It is based on one of the primary place of business is for the small business.

11:52

- how do I see it? Working capital economic injury loan differ from traditional SBA loan. This is a direct loan from the SBA. So funding will come directly from the US Treasury with traditional SBA Loans applicants will work with a bank credit union or intermediary and apply through them with the economic injury disaster loan. The applications do go directly to the DA.

12:22

Be a dad go or [sba.gov / disaster](http://sba.gov/disaster) and I will be sending these PowerPoint presentation slides out after the webinar today as well as some fa q's and some other documents that are referred to as we go through here as well. So you don't necessarily need to write that down. There is no cost to apply for we do encourage businesses to apply apply early because we expect there to be a huge influx of applications.

12:52

And there is no obligation to take the loan if offered so, the maximum unsecured loan amount is \$25,000. And again, keep in mind with no obligation. We do encourage you to apply you give me one of the questions we've received from small businesses is we have business Interruption Insurance. How does that affect this? Well, sometimes that may take a while to process so you may go ahead and and five for this moment.

13:23

This will take several weeks to get through then you can make the determination. If you want to accept the loan or if you've accepted the loan and you receive a payout on your business Interruption insurance that can be used to pay down the loan here. And in terms of timing processing of the loan applications what we are told by the office of Disaster Assistance is that typically with a disaster loan.

13:49

The processing time is about three weeks to decision upon decision file goes to legal legal will then prepare the documents and send those to the borrower upon receipt of the signed documents from the borrower the funds are then direct deposit.

14:18

However, again with the influx of applications that are expected We don't know how those timelines will be affected. So I just want to make sure that you know that applicants may have an existing disaster loan and still qualify for an economic injury disaster loan. But those loans may not be Consolidated nor can any other loan be Consolidated into this again keeping in mind that this is working capital loan designed to help a business get through this time. It is not intended for expansion or any other uses.

14:52

has In terms of basic filing requirements the application there was obviously an application that will be required that is SBA for 5 or 5 C. SK assault form 5 C is for sole proprietorship form 5 is for all other entities do is just simply check the appropriate entity. We will require IRS form five four.

15:23

Excuse me, 45 or 60 which is a tax authorization form that allows the FDA to request copies of Prior year tax returns from the IRS. We will require that form for the applicant all principles and

Affiliates of the business as well. And one thing to note is that be sure you're using the proper legal name for the 45 or 60. So, however, you file your tax return.

15:53

That name must match exactly with what is listed on the 45 or 60 that has done has been a common problem that the disaster Center people have been seeing. So an example is if your name is William Johnson, please do not put Bill Johnson on 4506 T. It must be the legal name as shown on the tax return. We will also need complete copies of the book federal income tax return.

16:20

However again, as I said before things are very Very fluid and there are changes happening all the time. They did make the change over the weekend that they are not requiring the current your federal income tax return for loans up to \$500,000 for any loan over \$500,000 the current year income tax return will still be required the schedule of liabilities or SBA form 2202 will also be required.

16:52

We also will Clara personal financial statement that's SBA form 413 we have had questions asking if you know, can we submit the personal financial statement form that we just completed for our bank? The answer is yes, you can submit a personal financial statement form that has been completed for elsewhere. But as much as possible, we really hope that you'll use the forms of their required here because what happens is sometimes I'll be in.

17:23

Formation that's the disaster processing folks need is not included on a form that was used elsewhere and that will hold up the loan application. So again as much as possible, we don't want hold up. So please try to use the forms that they are asking for as much as possible.

17:41

Also, it's important to note that a paper application is acceptable and may be submitted but as much as possible, we would ask that you try to file online and we don't want any slowdowns in the processing. So I got a paper application is submitted. We do have to have someone in the disaster Center enter that information into the computer.

18:04

So again as much as possible, please file online, but we do know that there are people that don't have online access to a paper file or people at paper application is acceptable.

18:20

There may be other documentation that is requested by the loan officer. Here are just some examples. These are not all inclusive obviously, but they may request additional tax return information on principles Partners or members or a phileas if the current year federal tax return has not been filed they may ask for a balance sheet and income statement for the prior year perhaps an interim statement.

18:46

For this year and then SBA for 1368.

18:54

and then we talked that private nonprofit organizations are eligible for the economic injury disaster loan again, noting that that does not include minute municipalities or government entities, but some examples of nonprofit organizations include nursing homes food kitchens educational facilities senior citizen centers daycares Community shelters community centers rescue organizations again, the businessman Must be a non-governmental agency and includes 501 C D or E. I do have a listing of the documents that will be required to list of about ten documents that I will attach to the email follow-up that I send with the PowerPoint slides in the

FAQ. It's so that will document exactly what is needed from a nonprofit organization. So there are some some entities that are ineligible.

19:52

The economic injury disaster loan some of those include agricultural Enterprises or farming Enterprises. If there is a farming Enterprise that does need some assistance we suggest reaching out to FSA or USDA to see what types of programs they may have available religious. Organizations are not eligible charitable organizations gambling concerns casinos and racetracks real estate developers again, these are all examples of ineligible.

20:25

How to apply you can complete the electronic loan application on the website disaster loans SBA, excuse me, dot-gov Ela or fda.gov / disaster. I will have a screenshot of the screen that you will see in just a moment. You can also send in the paper loan applications as well. The disaster Center does have an 800.

20:52

But for customer service as well as an email that should there be any questions technical nature specific to your business in nature. We do suggest reaching out to that line and they will get a response to you. And as I mentioned before if you go to sba.gov / disaster, there will be a button that you click that says apply for assistance. It'll take you to this page. So this is what you will see when you get there.

21:21

You'll see the Three buttons here are the eligible disaster areas as I mentioned before all 72 counties here in Wisconsin are eligible. So you can go ahead and submit applications anytime the blue button here is to start the application so you can go ahead and click there. Once you've completed the application and submitted you can go back to the green button to check the application status and up in the far right you'll see that there is a contact us button.

21:52

An FAQ button. So again, this is just a screenshot of what you'll see when you get to the page yesterday. The page was down quite a bit because they were making some upgrades and changes to the system. They were dealing with some bandwidth issues. It is back up and running today. But again keep in mind there is a huge influx of applications that are coming in so I will have some tips and tricks for you in just a moment.

22:20

Went okay, so tips and tricks again. We do encourage you to submit your application as soon as possible. We check all the filing requirement to ensure that everything that is needed is submitted again. The biggest reason for delay is is that not everything has been completed.

22:40

You can go back to your application at any time to finish completing that just be sure to save and keep track of your password if Look at your login credentials, especially your past or the FDA cannot provide that to you. So you'll have to start all over again other values that were receiving is save save save save as often as you possibly can again with the amount of applications that are coming in some log Jam to the system. So save as often as you can so as not to lose any of the work that you have done. There are some areas that are marked with red asterisks. Those are required.

23:20

Daria's, so please be sure that all those are completed again the name on the 4500 16 must match the tax forms exactly. When you go into the application site, you will see that there are still some other disaster declarations that are outstanding. So be sure to click on the economic injury

loan. If you don't click on that loan, it will not be processed. So again, make sure to click on the economic injury option.

23:52

You may electronically sign and upload documents. One thing. I will notice we have had some people who have said that it's been difficult for them to upload the 45 or 60 because of the traffic on the website. You can also email that information in just please be sure to reference you are application number so that they can attach that to the application as quickly as possible again one.

24:20

Bit of advice that we're receiving from The Disaster Center is try to go in and off-peak times that is 7 p.m. To 7 a.m. Eastern time. I have had many businesses say that they have gone in the middle of the night set an alarm for 2 a.m. Or 3 a.m.

24:38

And gone in submitted and they have had much fewer issues doing that then trying to do that during the day when everybody is trying to do that again, we encourage you to apply early because the You're going to be a huge amount of applications coming in. If you have problems uploading your documents to the system it actually even if you do upload your documents to the system, we encourage you to save those on your desktop as well just in case there is any problem with submission or if perhaps once the loan officer is assigned to your file if they need additional documents. You will have those with easy access to send to them again again.

25:20

I do want to remind you that there is a 12-month deferral on payments. They'll get into the economic injury disaster loan. If you do have a current disaster loan with the SDA, the administrator did just France a couple of days ago a deferral on all loan payments for courage existing economic or excuse me. Do they ask for loans through the end of the year?

25:45

So again, those payments will be 12 31 of Me 20 if you are a business that has an existing SBA loan with one of our lenders. There was a bank credit union or intermediary. The FDA has granted authority to offer deferrals on all existing SDA products. So that's seven a product 504 as well as micro loans.

26:12

So if you do have an existing loan, please reach out to your loan organization and discuss the deferral with them should you You need one on that most different of the deferral for most of the programs. It's six months. Although there are a couple that are eligible for a three months before all of payments again reach out to your existing lender. If you are a business that currently does federal state or local Contracting and you're having issues are Contracting staff along with Wisconsin procurement or hosting webinars with resources and answering questions as well.

26:49

I will have a list All of the those sessions and the follow-up email that I sent to you so that I will send to you as they have added more dates to that as well again, keep in mind that after the initial loan more funds are needed applicants can May submit supporting documents and request an increase if fewer funds are needed and that what is approved. You can request a reduction in the loan amount. There is no prepayment penalty.

27:20

With the economic injury disaster loan. So if you pay that off early there is no prepayment and if a loan is denied the applicant does have up to six months to submit additional documentation for

reconsideration and an example of a simple example that I was given by the office of Disaster Assistance is they had a business that applied for the disaster loan without The spouse's income.
27:48

They were denied they chose Will include the spouses income with the application resubmitted and they were then able to get that approval. So again, keep in mind you do have up to six months to submit additional documentation on the flip side of that is well, you do have up to six months to decide if you want to accept the disaster loan.
28:14

Phone it's very important to note that there is assistance available. As you go through this process our SBA Resource Partners do work with you on a no cost basis and they offer a whole host of services some of those Services include reconstructing or constructing a financial record preparing financial statements. They can also help if you submit the loan application as well. We are working on getting training for them so that they are much more well versed in the actual out.
28:44

Jason process noting that this is not something that normally occurred. This is a very unprecedented case of Disaster Assistance. So we are trying to get as much training out as we possibly can those Resource Partners include our Small Business Development Centers or SPD sees those are located at the four-year campuses throughout the state as well as a couple of other locations as well. We have score mentors locate.
29:14

Throughout the states. We have our women's business centers as well as our veterans business Outreach centers.
29:22

Here's a listing of the contact information for all of our Resource Partners again. They do work with you on a no cost basis. So we do encourage you to reach out. Also consider that allocations are working remotely at this time. They are available by phone or email and I do know that the general mailboxes for all these locations are being man and distributed to the Consultants. So again, please do feel free to reach out.
29:51

Out this line here is as you all know, there is a lot going around in the media right now. There's proposed legislation. There's rumors. There's all sorts of things on what's going to be available to small businesses. Some of these things will pass with legislation others are just things that people are talking about so it's really important to know what is out there. And what what changes are occurring as we're doing these presentations.
30:19

We are giving you the information that we At this moment it is the best information that we have if program change or are updated. That's something that may happen later. So we do encourage you to sign up at sba.gov last update. We will provide updates. We will provide press releases as things continue to change. So, please feel free to sign up there so that you can get the most accurate information again at the bottom here. I do have the Contracting webinars, but they have added more dates.
30:51

So I will include those in the follow-up email.
30:55

And with that that ends the content portion here of the webinar and I will now turn that over to me to handle the question and answer session. Thank you. Great. Thanks Tammy. Hi, I'm Nick. Garlic. I'm with the Small Business Development Center that Wisconsin program. Thanks

for everybody for joining us. Hopefully Tammy's presentation was provided some answers to some of your questions regarding the general information around the program.

31:24

Quite a few of you have entered questions in the question box. And so this is how we're going to proceed. I'll take each one of those questions individually. I'll read them aloud for everybody here and Tammy and myself in any other SBA Representatives on the line can help us with those questions will be answering the best to our abilities again. We're not the loan processors those folks involves in the application process. So based upon our knowledge and the knowledge, we've gained through doing these webinars all week.

31:54

I will answer those questions as best as we can. We may defer back to the office of Disaster Assistance and defer to them to answer some of these more specific and detailed questions. So bear that in mind, but we'll try to answer every question that we can for those of you who are on the phone I can unmute you or if you have a question that you've answered in the chat box or asking the chat box. We have an answer completely or you want to add some additional details, please.

32:24

Look in your go-to webinar software. There is a hand that you can raise. I'll call Iain each of you individually. If you have your hand raised and I will unmute your microphones so you can talk. So without further Ado I'll get through this. First question is how do those that are self-employed navigate to the search for help to keep their businesses sustainable. So again, I would encourage you to apply to this economic injury disaster loan.

32:53

This is definitely I can help him this time. In addition. I would suggest reaching out to those Resource Partners as we referenced a few slides ago. The sbdc in particular is listing all of the new and upcoming things that are happening. So there are some Grant programs that came up for specific borrowers through CDF eyes, but there will be other things coming online as well.

33:21

So definitely sign up for updates through the Ba I know the sbdc has a landing page with lots of information reach out to their Consultants as well as listed on the resource partner page and then definitely apply for the application. And again, Tammy will send this this presentation with all the information and links and contact information later this afternoon along with a long FAQ document that has great answers to common questions.

33:54

Also, for those of you joining online with the go to webinar software, I've put a quite a few links in the chat window. And so if you want to open up the chat window, you can see there's links in there. I've got the next code lookup tool the SBA size standards for those of you who are on the telephone the next lookup tool you can go to www.nadex.com.

34:16

That's naics.com and that will help you determine what your next code is then you can head over to the sba's website at Sba.gov / size size-8 if you're questioning whether you are qualified as a small business, you'll be able to determine that on the size standards page from the SBA that also included the SBA loan application. That's sba.gov / disaster.

34:41

And also in there the sba's disaster loan customer service center. And so that phone number is 1-800-695-1418 five nine two nine five and they also have an email address as well and that's disaster customer service and sba.gov. So disaster customer service at sba.gov.

35:11

the move back to questions Good morning, please explain in detail how to show three years of detail by month on form 1368. It's a one-page form and we are confused on what exactly needs to be submitted in hell. Thanks. Okay, so probably said I would reference their number one. You can reach out to the customer service line. They can give exact information on that.

35:39

Also, I would suggest reaching out to our Resource Partners For assistance on completing that for And I may or may not have mentioned this but we are having a training session for our Resource Partners tomorrow so that they can get much more detailed information. So it may be best to reach out to our Resource Partners beginning later tomorrow. They do have some information now, but we're getting them much more training so that they are prepared on the actual disaster loan application as well. So there will be assistance available.

36:14

Feel free to reach out to the torch partners Here's a question. I've already filled out my application electronically, but now I'll see the website is asking to fill out forms and send them and I have an application on file and do have to reapply after we require the additional forms of the have to fill out as a result of the change in application procedure. Yes. So if you notice the website was down for the vast majority of yesterday, and so the process for applying has changed a little bit.

36:44

So if you go if you now have so a couple things if you've already applied for the with the Methodology used previously and you've submitted your application you received notification that your application was received. There's nothing more that you have to do the next step in that process is the SBA loan officer will reach out to you. Secondly if you already have fill out an application using the old process you'll want to reach out to the customer assistance information that I that I asked that I provided you earlier. So that's that one 800 number and that's that disaster customer service email address.

37:20

That's how I you so if you have something to change or if you think you've made a mistake want to alter it. That's the methodology that you have to use.

37:27

And then the new process is if you go to the application site as you're going to you're going to be shown on the list of required documentation that you'll have to download and complete and you can complete those within Adobe I believe and then you'll return to that site and upload those documents.

37:46

Next question in this case can't any businesses say they're affected by the disaster.

37:54

Yeah for the most part I would say that that most businesses are so yes. I do believe that the vast majority of businesses will have some level of effect from the happening right now.

38:23

So yeah, I remember that Nick's code make sure that your resolve is over well over ninety percent of the businesses in Wisconsin qualify at small businesses. So, correct. If you're in doubt, I would still feel it out. Can the self-employed Barber apply for the loan? No employees. Just one person operates a business. Yes.

38:47

Can you define what fixed debts are?

38:51

So that's your monthly obligations. So, you know, whatever your monthly obligations are. I think there were some examples in your PowerPoint. Correct sent me go back here.

39:13

Here we go. So fix that two-year your monthly obligations your monthly loan payments things of that nature. Again. It's designed as a working capital loan to help you pay those clothes set monthly expenses and to help keep you in business during the next couple of months that are going to be very difficult payroll accounts payable rent mortgages things of that nature regarding your business.

39:39

Next question our churches eligible the answer is no they are not eligible will assisted living facilities qualify. I believe they do can loan be used to pay for inventory. Even it has already been placed on a high-interest credit card.

39:58

So the guidance that we've received is that if you've received a bridge loan or in the case of you know, some businesses are using credit cards to get through this difficult time assuming that that has been used to get you through this disaster. Yes, that may be used to pay down that is ineligible use of fun for the economic injury disaster loan.

40:21

So again, as long as it's been used during this disaster that is ineligible you Another question on the previous version of that the application sites. So since there's a new process. Is there anything else you need to submit to the answer's? No, so thanks for that question Greg. I have four companies that that need for loans. So I complete for applications.

40:48

Okay. So the guides that we have received is that you have separate entities that are in separate Industries. You may submit under each entities named however, one thing to note that there is an affiliate with this. So when you're completing the application you will have to list any affiliate on each of those applications and then the aggregate of all the businesses are eligible for a maximum load amount of 2 million.

41:18

Hours, but yes, you can apply under separate entity is assuming that they're in different businesses, but you will need to know to be affiliate the application.

41:33

Well the online open back up currently just email available and even the IRS doesn't allow email. So the online is currently the last time I checked which was right before this webinar. And actually I think during Tammy's talk online web online system is up and running so and that's again that's you're going to be contributing. You'll be shown a list of documents that you need to complete the download those complete those then go back to the same site and upload those documents.

42:02

Next question what proof is required to show a covid-19 loss or need?

42:09

Okay. So again, that's a determination that the loan officer will make they will look at all of the documentation that is provided. They will come they will review historical data to make that determination. In addition. When you complete the loan application. There is a narrative box.

42:29

That is an area that you can provide narrative on any information that you think is key for the loan officer in the processing folks to know so That's something specific to note about maybe the structure of your business about the seasonality of your business about, you know, anything that

you think is important for them to know that for you would put that information. What a Childcare Center in a church be able to utilize the SBA loan.

43:05

I believe the answer to that is yes, but again, it does depend on how that is structured. So there are more questions to be asked on that. That would be definitely be a question. I would run up to the customer service Folks At The Disaster Center. So I think it's really about how that is structured. Are they separate entity? Is it just a location? You know, so there's a lot of questions.

43:35

the accurate answer Can you explain a bit more about the farming entities that are not eligible? I do believe that farming entities is a whole are not eligible for the economic injury disaster loan. However, again, we do suggest we can out to FSA or USDA as they may have programs available.

44:06

Thank you, Stephanie.

44:08

We're your comments. The the polar does not look the same anymore. The register button says it's covid. Yep. So the register portal is a little bit different.

44:21

What about family child care providers also known as a home base business providers. Normally there are sole Proprietors because we have no support from the public. They are stuck between a rock and a hard place because they're also considered essential. I'm looking for funds support fund and support for providers. Thank you.

44:40

So yes for proprietorships are eligible for the economic injury disaster loan. That would be for me the application form 5c. We do encourage you to apply for that and again, you know, they will look at you know, the the prior year information for that as well. But yes, you are an eligible entity.

45:10

Do we have to submit all the schedules with our tax return or just the return itself?

45:15

So you have to apply the form 45 or 60 that will allow the FDA to request to find the tax returns from the IRS. I do not believe that there is an obligation for you to also upload those documents. I think that is something that they will just request from the IRS.

45:43

Are you aware of the small business Interruption loans or the payment protection programs and their eligibility?

45:50

I am not familiar with those at this point. I know that there is legislation that is you know that is being reviewed right now. But no at this point. I am not familiar with the interruption moment or the payment protection modes and I'm not certain if those are actually passed into law yet again, there will be changes coming. We don't know exactly what those are. So I would suggest signing up for the update through the FDA website.

46:19

Right and Iris form 4506 T does a client neither reference the prior three years on question number 9 so I would definitely so I had thought that the 4506 he was just a general authorization. I am not sure if it's a general author if they started asking for a specific amount of years. I would definitely give them at least the authority to pull two years worth of tax returns possibly.

46:49

Re dependent on your business structure. So yes, three years would probably be likely. I don't know that they would pull all three of those. But if you give that authorization then we will reduce any holdups in the application process. If you apply for an existing SBA loan deferral does a downgrade the debt with the bank.

47:13

No, it's just the it's just a different. I don't think that it would downgrade the debt with the bank.

47:21

That would be a question. I would pose to your lender when you reach out on the deferral and ask them any specific questions that you have related to that nature.

47:32

ER I understand payroll tax is being deferred this year. Can you explain how long and what about the Wisconsin sales and use tax reporting and payments?

47:47

Yeah, so that is outside of our purview. I don't know the answer to that question. I would suggest an IRS contact for that should our spouses be listed as a joint applicant then.

48:04

You certainly can include your spouse, you know again, I don't know the specific instance to give an exact answer but you know, certainly as they're looking through this they will look for the repayment ability. And if you feel that that was increased the odds for that the loan officer to consider the repayment ability. You certainly may again, I don't know the specific instance, but it does not hurt the application.

48:33

My street addresses we listed on documents or is PO Box sufficient.

48:39

I would defer to the disaster loan Ariane that my assumption would be that they would like street addresses, but I don't know that specific answer.

48:49

Sir, if both my husband and I own a business can both apply.

48:58

So I'm assuming that it's the same business. Is it the same business? It would be one application if you own separate businesses or in separate Industries and separate entities then yeah each business May apply for an economic injury disaster loan. But again, keep in mind you must list those affiliate companies on the application.

49:23

Another question on form 1368 sales reporting. Is it important to report monthly sales activities for the prior three years?

49:33

I'm going to defer to the disaster people on that. What I'm going to say is the more information that you can provide the better so that the loan officers can make the best decision again, if you need to use that narrative area, that's something I would encourage as well and keep in mind that we will have resource partner training available to provide a lot of these very specific answers and that is hopefully going to be scheduled for tomorrow.

50:03

And for those Resource Partners, at least in the sbdc will send that information out and the shirt. Tammy will send it out to the others. Once it's receiving don't think it's actually we've actually received the specifics of that yet. So yes, I would definitely keep all those very specific

questions. Those would be something that we could definitely ask that will be that training is with the office of Disaster Assistance.

50:25

Those are the people that are very very familiar with the specific application with the requirements and are the The people that are are most well versed answer very specific questions.

50:42

Next question I own a small business, but I'm also a partnership owner in a second small business. Are we able to apply for each small business if they have a separate ownership identity and their own EIN number?

50:54

I think we answered that so the answer would be yes. You can you can complete an application for each of those businesses. But remember the affiliate rule is in place.

51:05

Is a form 45 or 60 to be completed as an individual or as the company.

51:12

So when you're submitting for and oh, I'm sorry. I missed the first part of that question. So you have to 45 OT. We will need one completed on the applicant for the and owners as well as any Affiliates businesses. So the answer is All the Above.

51:34

Okay. Thank you.

51:39

Legislation being passed possibly where loans are forgiven of businesses promised to continue payroll through the crisis if this occurs when we apply now what we have the option to elect to get forgiveness on the loans.

51:51

Okay. So how I would answer that question is what we are giving you as accurate as of right now. We have no expectation that this point that these are forgivable loans. So I would not go into it with that assumption. It's legislation changes. There may be changes to this that I cannot say whether that will be effect at this particular Point again that for you to submit for those updates. But again, keep in mind that this application process does take stuff.

52:20

Weeks so between now and then I would anticipate that if there are changes those will be we will be notified of both changes and you do have the option to accept or deny any loan application that is approved. So I would expect any changes that are going to happen are going to happen at that time. But at this particular point I would have no expectation that there is forgiveness on an economic injury disaster loan.

52:49

Next question is Very similar any additional information on paycheck Protection Program or loan forgiveness. So no not as of yet. Nothing is nothing is law at this point.

53:04

I went to restaurants and under assets the personal property do I include my home and the restaurants also under damaged property address the type of damage is it real estate? Okay, so I'm assuming with this is on a personal financial statement is yes to do on a list onion all assets in terms of the damage property the so again, there's two different types of disasters.

53:33

Loans, there's physical injury disaster loans and there's economic injury disaster loans for the physical injury disaster loans. Obviously that is where damaged property would be would be

listed. I'm not sure if you're in the right application or not or exactly where that is being requested. But this particular loan package is the economic injury disaster loan. So that takes into consideration any economic injury or hardships that a business is facing because of the disasters.

54:03

All I hope that answers the question you definitely want to list all the assets. And again, this isn't a physical injury disaster loan declaration.

54:17

Alright next question. How does it applicants apply with several affiliate business interests. Can you apply and behalf of each affiliate?

54:26

I think we answer that one. So the answer would be yes.

54:33

Can I borrow applied directly with an SBA lender to get funding immediately for the Eid L. The answer is no the IDL loan is program is going directly to the SBA and from the SBA.

54:48

So unlike traditional 504s or seven days that run through your local lending institutions and guaranteed by the SBA these these loans are this particular program is Loan program runs directly through the SBA, but that's not to say that there are other aren't other aren't other programs available at your local lending institution. So you'd still might want to check with them.

55:11

Yeah, and if you do get some sort of bridge loan from your your current lender you again if it's used for the disaster or to get you through the disaster that it's an eligible use of funds for the economic injury that they ask for a loan for that may be paid down and puller in full or part by the proceeds from an Eid Bridge loans lines of credits.

55:34

As long as you're using those funds according to the terms of those agreements and if it's used for the The activities outlined in the ideal program you can just repay those with the ideal funds. So we were told there's a chance this portion of these decimals may be forgiven is Snopes. Oh, there's no there's no follow-up information. Other than what we've explained. Can you can you explain the SBA Express Loans?

56:06

So in terms of any Express phone or any bridge loan that would be done directly through an existing lender and they would connect with the lender on that.

56:21

Can a self-employed Barbary able to apply for a loan? No employees. Just one person operating the business can a self-employed think it's a new book a question here. Yes, you can Teresa.

56:32

Is there any training available for bookkeepers accountants to assist clients and filling out the application?

56:39

Yes, very possibly we are working to schedule some training sessions with with you office of Disaster Assistance, and I would encourage you to send me an email and I will put you on a list that when and if we can get those sessions scheduled I will include you in that information.

57:01

As things are changing since admitted my relief application. Can I update new information The Narrative box again, you'd have to contact the support center. And so just for just a reiterate this

the phone number is 1-800-695-1418 has at sba.gov. So if you have an existing application that you logged in and have completed a few days ago. That's the methodology to check.

57:29

on your application or to make changes And keep in mind too that when your file is assigned to a loan officer. They will reach out to you and you will have the opportunity to have a discussion with them to to explain any forms or let them know additional information. I would still encourage you to reach out to the customer service people as well. But just to let you know there is communication between you and the loan officer once a loan officer has been a sign.

57:58

Next question do payroll expenses include owner payroll as expenses that are eligible.

58:05

I believe that that would be the case for the gun. That would be a question. I would reach out to to customer service people with.

58:15

With what about Niche egg and a prizes that have direct sales? I don't really know that based on what day after that. I can answer that question, but I would actually in that case defer to the customer service people because overall farming Enterprises are not included in La as eligible entities for this loan package. But if there is a specific, you know, Miss that you want to check with them on feel free.

58:45

To send them an email at the customer service email or reach out to them and they can answer that better.

58:55

What about roofing companies? We cannot door not to generate business. Yes, you're eligible.

59:03

If the application reviewers have questions after we submit an application, how do we know it? Is them counting it contacting US versus a scam. It's good question. That is a very good question and one that I really don't have the answer to I would probably send an email to the customer service people to ask some that says that's a very valid point though because there are always people trying to take advantage of certain situations. So I would reach out to the customer service to find out, you know, how you would know that.

59:33

Legitimate call or contact and I think you can so for those of you who have been assigned a loan number and ask for that verification. Yeah, that's a good point not it may not be foolproof.

59:46

But I'm just saying that that's what option you have to to be a little bit more confident.

59:56

Farms that have Farms that have P tonight's dairy farms that self distribute milk cheese curds Etc or if they have separate llc's from their Farm businesses the only way to delineate Yeah, and again, I may I would defer to the customer service people. I would not want to give you incorrect guidance on that.

1:00:19

That I have a new business less than a year old. I do not have business tax forms. Will they just go off my personal tax forms?

1:00:29

Submitted much as you possibly can a new business is eligible for This Disaster loan. There may be additional documents required from you. But obviously the case to be made that it is a business. It's up and running again. That's where that narrative box might be very important.

1:00:49

But otherwise, you know, I would definitely provide as much information as you can and then when you speak with the loan officer perhaps more information required is there an appeal process?

1:01:06

So you do have up to six months if you are denied to submit additional documentation. So yes, I would definitely encourage you I am pretty certain you receive a letter or some sort of communication that lets you know, why you were turned down and then you can go through and submit additional documentation you have up to six months from the original application date to do that.

1:01:34

Is there any chance we'll be able to collect some unemployment even though we are a small business owners being prevented from working?

1:01:43

That is really outside of what we do here. I don't I would reach out to the state workers compensation people in and ask that information. I don't know that that's in our purview.

1:01:59

Our first year business is eligible to apply and if so, what past history is to the show, so we kind of answered that couple questions ago. Yes, you're eligible basically upload whatever you have.

1:02:18

The couple thank yous are okay. So that's the end of the Q&A for the written questions. And so for those of you who have your hand raised if you have your hand raised and have a question great. I'm going to call on you individually if you still have your hand up, but I've answered your questions go ahead and lower your hand. So I know that your question has been answered that don't have to call on you.

1:02:42

just seeing one so Scott s I haven't needed you. Can you hear us? I think I had my question answered. So I'm good. Okay. Thank you, sir.

1:02:57

Scanning the other attendees here seeing none War one more question or comments. She just asked somebody just out of the customer 7 number and there are 297 thin line with an estimated time of 55 minutes. So yeah, I'm sure that there's quite a few folks calling. So try to be as patient as you can and they'll get through you soon as they can.

1:03:21

So thanks for that that information guy gets helped helpful to have a little bit of Understanding of how much time it may take to get through.

1:03:33

And one more scan here to make sure no one's saying okay Dale looks like your hand is up. You may have to self unmute.

1:03:43

Yet the Emmy. Yep. I can hear you. Just a quick question on so most SBA two colognes. You have to pay the application. There's like a 1 or 2% Is that waived in disaster loans?

1:04:00

Yes, there are no fees associated with the disaster loans. Yeah, there should be no Financial cost to you to apply.

1:04:13

Thanks Dale. I'm going to lower your hand less you. If you have a follow-up, please raise your hand.

1:04:22

Seeing none another comment here.

1:04:34

There's a comment about some forgiveness on some loans. Not sure which which loan that's in reference to but yeah, thanks Vicki, but I guess I can read The Loan program which is offering loans up to 10 million will allow businesses to have a portion of the loans covered that cover payroll mortgages rent utility expenses from February 15th of June 30th the forgiven so that's not that's a comment from somebody on the call. That's not official guidance from the SBA or other Affiliated research Partners.

1:05:03

So that's just It's a comment from Vicki. So thanks Vicki for that comments.

1:05:15

Well customer service phone resources be available 24/7 or other set hours. Yeah expanding its 7 a.m. To 7 p.m. Eastern Standard Time.

1:05:31

I don't see any more written questions, and I don't see any more hands. So I think that's come to the end. So, thank you. Thank you all for your wonderful questions. Hopefully we will be able to answer those the best we could and I'll turn it back to you Tammy. All right, well, we want to thank you again for joining us on the webinar. Hopefully you were able to answer many of your questions and provide just an introduction to this process again. We encourage you to apply the office of Disaster Assistance.

1:06:01

Her attitude to apply apply early so that we can get you into the process and lastly again. I would encourage all of you to reach out to our Resource Partners with any questions with any additional information that you might need. They are available now during this particular difficult time for all of us, but there are also available all year round with that Business technical assistance as well as many other ways to assist small businesses, so please reach out to those resources.

1:06:30

Jurors, and again, they do that all on and will cost basis. So thank you again the best of luck to all and I will send out the PowerPoint to you later today. Thank you.

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