



CONGRESSMAN
COLIN ALLRED
REPRESENTING THE 32ND DISTRICT OF TEXAS

COVID-19 Small Business Resource Guide



A MESSAGE FROM REP. ALLRED:

This is a time of great uncertainty for many, including for our small businesses and their workers, who are the backbone of our economy. I am working in Congress to ensure we deliver relief for workers and businesses during this unprecedented time. I want to share these resources to aid you as you navigate the coronavirus pandemic and the future of your business. My office is always here to help you navigate federal agencies and resources. If you face any issues, please contact me at 972-972-7949.

Information around this outbreak is changing rapidly, but you can find the latest information at <https://www.dshs.texas.gov/coronavirus/>, [CDC.gov/Coronavirus](https://www.cdc.gov/coronavirus/), and allred.house.gov/coronavirus.

A handwritten signature in black ink, appearing to read "Colin Allred". The signature is fluid and cursive, with the first name "Colin" and last name "Allred" clearly distinguishable.

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U.S. SMALL BUSINESS ADMINISTRATION

ECONOMIC INJURY DISASTER LOANS

DESCRIPTION

SBA's Economic Injury Disaster Loans offers assistance **to eligible businesses in operation prior to February 15, 2020**. This program can provide vital economic support to small businesses to help overcome the temporary loss of revenue they are experiencing due to the COVID-19 pandemic.

ELIGIBILITY

Eligible recipients of Economic Injury Disaster Loans include:

- Businesses with 500 employees or fewer
- Cooperatives with 500 employees or fewer
- Agricultural Cooperatives with 500 employees or fewer
- Nonprofit Organizations
- Faith-based Organizations
- Sole proprietorships and independent contractors

LOAN TERMS:

- 3.75% Fixed interest for small business; 2.75% Fixed interest for non-profits.
- Long-term repayments up to 30 years. No prepayment penalties or fees

More information regarding the Economic Injury Disaster Loan program regarding COVID-19 can be found here:

<https://www.sba.gov/page/coronavirus-covid-19-small-business-guidance-loan-resources>

You may apply for an EIDL loan here: <https://disasterloan.sba.gov/ela/>

Applicants can call SBA's Customer Service Center at (800) 659-2955 or email disastercustomerservice@sba.gov for more information on SBA disaster assistance. For additional information or to obtain help preparing the loan application, you can also contact the Dallas/Fort Worth SBA Office at 817-684-5500 or visit their website:

<https://www.sba.gov/offices/district/tx/dallas-fort-worth>

You can also reach out to my office at 972-972-7949 should you face any issues contacting the SBA.

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TARGETED EIDL ADVANCES (GRANTS)

OVERVIEW

The Economic Aid Act, signed on December 27, 2020, provided \$20 billion in funds for grants to certain small businesses and nonprofits.

These grants provide an emergency advance of up to \$10,000 which may be used to keep employees on payroll, to pay for sick leave, meet increased production costs due to supply chain disruptions, or pay business obligations, including debts, rent and mortgage payments.

The advance does not need to be repaid under any circumstance.

According to the SBA, Advance funds of up to \$10,000 will be available to applicants located in low-income communities who previously received an EIDL Advance for less than \$10,000, or who applied but received no funds due to lack of available program funding.

ELIGIBILITY

Eligible entities must:

- Be located in a low-income community,
- Demonstrate a 30% reduction in revenue in an 8 week period beginning on March 2, or later,
- Have 300 employees or less

Businesses who are eligible for the grant must be eligible for an EIDL and have been in operation since January 31, 2020, when the public health crisis was announced. **Once the program reopens, grants will be authorized through December 31, 2021 and the SBA will process applications until funds run out.** New rules will allow applicants that meet the new requirements and were approved for, but never received EIDL grant funds in 2020 to be eligible for Targeted EIDL Advances.

More information regarding Targeted EIDL advances can be found here:

<https://www.sba.gov/funding-programs/loans/coronavirus-relief-options/covid-19-economic-injury-disaster-loans>

SBA will reach out to those who applied for EIDL assistance on or before December 27, 2020, but only received a partial EIDL Advance or did not receive an EIDL Advance at all due to lack of program funding. These applicants will receive an email from SBA with instructions to determine eligibility and submit documentation.

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U.S. SMALL BUSINESS ADMINISTRATION

PAYCHECK PROTECTION PROGRAM

OVERVIEW

The Paycheck Protection Program (PPP) is a guaranteed loan program at the SBA for small businesses to cover payroll during the immediate crisis. If employers maintain their payroll, the loans are forgiven.

On December 27, 2020, President Trump signed into law the Economic Aid Act to provide additional funds to the PPP program, which was initially authorized by the CARES Act of 2020 to provide relief to small businesses and their employees struggling as a result of the COVID-19 pandemic. **The deadline to submit an application for PPP loans is now March 31, 2021. Applications will be dispersed until funds are fully allocated.**

ELIGIBILITY

First Draw PPP Loans will be available to eligible applicants that did not receive a PPP loan prior to August 9, 2020. The new law improves the program for First Draw PPP Loan applicants by expanding loan eligibility and covered expenses eligibility.

Who Can Apply For First-Draw PPP Loans?

- Housing Cooperatives
- Destination Marketing Cooperatives
- Certain 501(c)(6) organizations
- Eligible news organizations
- Business Entities
- Sole Proprietorships, Independent Contractors, Self-Employed individuals
- Nonprofit organizations and veterans organizations
- Tribal businesses

Second Draw PPP Loans will be available to borrowers that previously received a PPP loan. To be eligible applicants must:

- Have 300 employees or less
- Demonstrate a 25% reduction in gross receipts
- Have only used previous PPP loan for eligible expenses

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More information regarding SBA's Paycheck Protection Program can be found here:
<https://www.sba.gov/funding-programs/loans/coronavirus-relief-options/paycheck-protection-program>

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U.S. SMALL BUSINESS ADMINISTRATION

SMALL BUSINESS DEBT RELIEF PROGRAM

This program provides immediate relief to small businesses with non-disaster SBA loans, in particular 7(a), 504, and microloans. Under it, the SBA will cover all loan payments on these SBA loans, including principal, interest, and fees, for six months.

On December 27, 2020, President Trump signed into law the Economic Aid Act to provide additional relief to small businesses and their employees struggling as a result of the COVID-19 pandemic.

The law improves the debt relief program by **extending debt relief** from principal and interest for SBA borrowers for an additional 3 months, and providing an extra 5 months of debt relief for underserved borrowers (in all cases, monthly payments are capped at \$9,000 per month per borrower).

More information regarding SBA's Paycheck Protection Program can be found here:
<https://www.sba.gov/funding-programs/loans/coronavirus-relief-options/sba-debt-relief>

NATIONAL RESOURCES

- The U.S. Chamber of Commerce has information on resources and ways individuals and businesses can seek assistance. For more information, please visit: <https://www.uschamber.com/coronavirus> or contact 1-800-638-6582.
- The U.S. Chamber of Commerce has a small business resource guide that features technology tools, employer guidance, business strategies and more as you navigate through this challenging time. For more information, please visit: <https://www.uschamber.com/co/small-business-coronavirus>.
- The National Main Street program has resources for small business and offers community support for those impacted by COVID-19. For more information, please visit: <https://www.mainstreet.org/howwecanhelp/resourcecenter/covid19resources> or contact 312-610-5613.

STATE AND LOCAL RESOURCES

- The State of Texas has created a comprehensive resource guide for businesses impacted by COVID-19. You can find information here: <https://gov.texas.gov/business/page/coronavirus>
- The Texas Workforce Commission (TWC) has developed resources for employers: <https://twc.texas.gov/news/covid-19-resources-employers> and for jobseekers: <https://twc.texas.gov/news/covid-19-resources-job-seekers>
- The Texas Restaurant Association has established the TX Restaurant Relief Fund to aid restaurants impacted by COVID-19. You can apply on their website <https://www.txrestaurant.org/news/coronavirus-guidance-resources>, and find webinars, resource guides, tips on sanitation and more useful information to help your business.
- The City of Dallas' Department of Economic Development has information on city regulations and resources: <http://dallasecodev.org/562/COVID-19-Info-for-Small-Businesses>

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- The Texas Small Business Development Center offers one-on-one confidential consulting. They are available to assist by phone, email, or video conference: <https://sbdctexas.org/>.

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GUIDANCE FOR EMPLOYERS



PREVENTATIVE MEASURES FOR EMPLOYERS

The CDC recommends that all employers consider how best to decrease the spread of acute respiratory illness and lower the impact of COVID-19 in their workplace in the event that the illness spreads. All employers should be ready to implement strategies to protect their workforce from COVID-19 while ensuring continuity of operations.

The CDC has prepared a list of recommended strategies to help employers contain the spread of the illness within their workplace:

- Actively encourage sick employees to stay home
- Separate sick employees in the workplace and send them home
- Emphasize staying home when sick, respiratory etiquette and hand hygiene by all employees by posting informational posters and setting up multiple hand hygiene stations
- Perform routine environmental cleaning and provide disposable wipes for employees to use
- Get the latest information regarding travel safety

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- Communicate your attendance expectations to your employees

The CDC also recommends that employers create a flexible plan to manage sick leave policy and attendance issues, and to implement working remotely and avoiding holding meetings in close quarters.

For more information, see:

<https://www.cdc.gov/coronavirus/2019-ncov/community/guidance-business-response.html>.

CONTEMPLATING LAYOFFS

If you have to close your business either temporarily or permanently and need to lay off employees, you may be able to submit a mass claim for unemployment benefits on their behalf. The Texas Workforce Commission's Mass Claims program streamlines the unemployment benefit claims process for employers faced with either temporary or permanent layoffs. Employers can submit basic worker information on behalf of their employees to initiate claims for unemployment benefits. You can submit a mass claim request on Employer Benefits Services 24 hours a day, seven days a week.

- For more information, see: Mass Claims for Unemployment Benefits or contact TWC's Mass Claims Coordinator at 512-463-2999.
- To submit a Mass Claim, log on to Employer Benefits Services website at <https://twc.texas.gov/businesses/employer-benefits-services>

Note: If you have already laid off staff, you cannot use Employer Benefits Services (EBS) to submit a Mass Claim.

If your layoff date was in the past and you have 10 or more employees affected by the pandemic, email TWC's Mass Claims Coordinator at ui.massclaims@twc.state.tx.us and ask us to provide Mass Claims documents to submit manually. Make sure your email contains the following information:

- Company's name, address, phone and fax number, and TWC Tax Account Number
- Contact person's name (authorized representative with signature authority)
- Contact's email address, phone and fax number
- The layoff date and how many employees were affected

SHARED WORK PROGRAM

If your business has slowed down due to the pandemic and you need to reduce employee working hours, you may be able to avoid laying off employees by submitting a shared work plan. The Texas Workforce Commission's Shared Work program provides Texas employers with an alternative to layoffs. TWC developed this voluntary program to help Texas employers and employees withstand a slowdown in business.

Shared Work allows employers to:

- Supplement their employees' wages lost because of reduced work hours with partial unemployment benefits.
- Reduce normal weekly work hours for employees in an affected unit by at least 10 percent but not more than 40 percent; the reduction must affect at least 10 percent of the employees in that unit.

Shared Work unemployment benefits are payable to employees who qualify for and participate in an approved Shared Work Plan. Workers may choose not to participate. Employees who qualify will receive both wages and Shared Work unemployment benefits.

For more information, visit: <https://twc.texas.gov/businesses/shared-work>

BANK ASSISTANCE INFORMATION:

Several banks have set up contact lines to work with individuals impacted by COVID-19. If a bank is not listed below, reach out to them to find out what they are doing to assist those affected by COVID-19. The Federal Deposit Insurance Corporation (FDIC) and the (National Credit Union Administration (NCUA) have also put out information for bankers and consumers.

- FDIC: <https://www.fdic.gov/coronavirus/index.html>
- NCUA: <https://www.ncua.gov/>

Other banks assisting during COVID-19:

- Bank of America: <https://about.bankofamerica.com/promo/assistance/latestupdates-from-bank-of-america-coronavirus>
- Bank of Texas: <https://www.bankoftexas.com/landing-pages/covid-19/covid-19-resource-center>
- BBVA: <https://www.bbvausa.com/special/covid19.html>
- Capital One: <https://www.capitalone.com/coronavirus/>
- Chase: <https://www.chase.com/digital/resources/coronavirus>
- CitiBank: <https://online.citi.com/US/JRS/pands/detail.do?ID=covid19>
- Comerica Bank: <https://www.comerica.com/campaigns/covid-19.html>
- Discover: <https://www.discover.com/coronavirus/>
- Frost Bank: <https://www.frostbank.com/COVID-19>
- Marcus by Goldman Sachs: 844-627-2876
- Truist: <https://www.truist.com/coronavirus-information>
- US Bank: <https://www.usbank.com/splash/covid-19.html>
- Wells Fargo: <https://newsroom.wf.com/press-release/corporate-socialresponsibility/wells-fargo-donates-625-million-aid-coronavirus>