

# PAYCHECK PROTECTION PROGRAM

HOW TO ACCESS FUNDS + WHAT THIS PROGRAM MEANS FOR YOUR BUSINESS

**Jennifer Lapeyrouse**

**JEDCO Economic Development Finance Manager**



**HISPANIC CHAMBER**  
*of COMMERCE of Louisiana*



**JEDCO**

Jefferson Parish Economic Development Commission

# EIDL vs. PPP

## EIDL = Economic Injury Disaster Loan

- Application through SBA online portal only
- Less restrictive loan uses
- Loan with 30 year maturity and 3.75% fixed interest rate
- Longer (unknown) funding time

## PPP = Paycheck Protection Program

- Application through local SBA lender
- Very limited eligible loan uses
- Full loan amount may be forgiven
- Loan funds received quickly



# EIDL vs. PPP: Eligible Loan Uses

## EIDL = Economic Injury Disaster Loan

- Salaries including owners' salaries
- Mortgage, lease, or *fixed debt* monthly payment
- Accounts payable
- Interest payments, principal reductions, or payment in full is allowable for
  - Lines of Credit
  - Credit Cards

FIXED DEBT: outstanding loan with established monthly payments such as a car loan or equipment loan

## PPP = Paycheck Protection Program

- Payroll/employee compensation

### INCLUDED

- Insurance premiums
- Continuation of group healthcare during periods of paid sick, medical and family leave

### NOT INCLUDED

- Payment to sole proprietor
- Payment to independent contractor

- Interest on mortgage payment or lease payment

- Utilities

- Electric/gas
- Phone
- Internet
- Water

# PPP: Eligible Loan Uses

- Payroll/employee compensation

INCLUDED

- Insurance premiums
- Continuation of group healthcare during periods of paid sick, medical and family leave

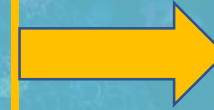
NOT INCLUDED

- Payment to sole proprietor
- Payment to independent contractor

- Interest on mortgage payment or lease payment

- Utilities

- Electric/gas
- Phone
- Internet
- Water



Must be at least 75% of loan proceeds

# PPP Loans: Who is Eligible to Apply?

- Small businesses including not-for-profits, veterans' organizations, Tribal concerns, self-employed individuals, sole proprietorships, and independent contractors
- Located in US
- < 500 employees (there are exceptions here)
- *In operation* on February 15, 2020

IN OPERATION: A company 'in operation' is transacting sales; this is not an 'incorporated as of' date

# PPP Loans: Program Timeframe

**1<sup>st</sup> day for Applications: Friday, April 3, 2020**

**Last Application Day: June 30, 2020 *or until funds are exhausted***



**HISPANIC CHAMBER**  
*of COMMERCE of Louisiana*



# PPP Loans: Loan Amount Calculation

**Maximum PPP Loan Amount =  
Average Monthly Payroll Costs x 2.5**

- **1099 Employees are eligible to apply for a PPP loan on their own, so they do not count for purposes of PPP Loan Amount Calculation**
- **If you did not receive EIDL Funding prior to April 3, 2020, then it is not considered in your PPP loan application**

**Chase Bank has a good PPP Calculation Loan Worksheet.**

# PPP Loans: Loan Funding and Loan Forgiveness

- Loan funding should occur 24-48 hours after approval
- Loan forgiveness can be up to the full principal amount and accrued interest
- Loan funds used for *Eligible Expenses* will be forgiven
- Additional guidance from SBA regarding loan forgiveness is pending

## ELIGIBLE EXPENSES:

Payroll/employee compensation

Interest on mortgage payment or lease payment

Utilities



Must be at least

75% of loan

proceeds



HISPANIC CHAMBER  
of COMMERCE of Louisiana



JEDCO

Jefferson Parish Economic Development Commission



# PPP Loans: Apply Now

## Documents to gather:

- 2019 W-3
- 2019 IRS Quarterly 940, 941, or 944 payroll tax reports
- Third Party Payroll Processing Summary Documents
- Company-Prepared Payroll Summary Documents
- 2019 Company-Prepared Financial Statements
- 2019 Business Tax Return
- 2019 Personal Tax Return (if the business files as a sole proprietorship, single entity LLC)

Local SBA  
Lenders  
Participating  
in PPP

**b1BANK**  
1-877-614-7600  
[b1BANK Website](#)  
[COVID-19 Response](#)

**Capital One**  
985-201-4685  
[Small Business Loans](#)  
[Covid-19 Response](#)

**Chase Bank**  
1-800-935-9935  
[Small Business Loans](#)  
[COVID-19 Response](#)

**Fidelity Bank**  
985-612-2755  
[Small Business Loans](#)  
[COVID-19 Response](#)

**First Bank & Trust**  
504-584-5900  
[Business Loans](#)  
[COVID-19 Updates](#)

**Gulf Coast Bank**  
1-800-223-2060  
[SBA Loans](#)  
[COVID-19 Response](#)

**Hancock/Whitney**  
1-800-448-8812  
[Small Business Financing](#)  
[COVID-19 Response](#)

**Home Bank**  
337-237-1960  
[SBA Loans](#)  
[Covid-19 Response](#)

**Iberia Bank**  
404-235-5550  
[SBA Lending](#)  
[Covid-19 Response](#)

**Jefferson Financial  
Federal Credit Union**  
504-348-2424  
[JFFCU Website](#)  
[COVID-19 Response](#)

**Metairie Bank & Trust**  
504-834-6330  
[Metairie Bank Site](#)  
[Covid-19 Response](#)

**Mississippi River Bank**  
504-392-1111  
[Mississippi River Bank Website](#)  
[COVID-19 Response](#)

**OnPath Federal Credit Union**  
800-749-6193  
[Business Loans](#)  
[COVID-19 Response](#)

**Regions Bank**  
1-800-734-4667  
[SBA Loans](#)  
[COVID-19 Response](#)



ADDITIONAL DISASTER  
FUNDING OPTION:

LOUISIANA LOAN  
PORTFOLIO GUARANTY  
PROGRAM | COVID-19  
ASSISTANCE

<https://www.opportunitylouisiana.com/covid19/led-loan-guaranty-program?v=2>

# Helpful Links

Apply for EIDL: <https://covid19relief.sba.gov/#/>

PPP Application: <https://home.treasury.gov/system/files/136/Paycheck-Protection-Program-Application-3-30-2020-v3.pdf>

Chase Bank PPP Salary Calculation Worksheet:  
<https://recovery.chase.com/content/dam/chase/recover/sba/paycheck-protection-program-calculation-loan-worksheet.pdf>

Local SBA Lenders: <https://www.jedco.org/wp-content/uploads/2020/03/SBA-Lenders-1.pdf>

LED COVID-19 Loan Assistance Program: <https://www.opportunitylouisiana.com/covid19/led-loan-guaranty-program?v=2>

JEDCO's COVID-19 Resource Page: <https://www.jedco.org/covid19-updates/>

HCCL COVID-19 Resource Page: <https://www.hccl.biz/covid-19-resources/>