



GLENN BURDETTE

COVID-19 RESOURCE UPDATE

MAY 29, 2020



Summary:

"It's what you learn after you know it all that counts" - John Wooden

So true, Coach. Just when we thought we understood forgiveness of PPP loans, it's likely to change some more.

Stay safe and well everyone.

Glenn Burdette is here for you.

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Federal Stimulus: Light at the end of the Forgiveness tunnel?

- By now you've seen and read through the SBA's forgiveness application and calculations. If you haven't, good for you as you might have more time to learn about it.
 - The House passed a bill that proposed changes that could make forgiveness easier to achieve. The key word there is *proposes*. The Senate still has to approve it (that is, whenever they decide they should actually be like, working.)
 - The proposal includes:
 - Reducing the 75% threshold on funds used for payroll costs down to 60%.
 - Extending the 8-week spending period to 24 weeks.
 - Extending the deadline to rehire workers to December 31 (to avoid forgiveness reduction).
 - These appear to be welcome proposed changes.
 - Many restaurants and retail businesses rushed out to get Paycheck Protection Loans, as the process resembled the Oklahoma Land Rush of 1889 (at least what I know about it from watching Tom Cruise in "Far and Away", been a lot of Netflix at my house lately).
 - But most quickly realized they would not meet the 75% payroll cost requirements to get full forgiveness.
 - It's hard to pay employees (who are getting unemployment) if you can't open up.
 - With the proposed changes, more businesses have more time to achieve full forgiveness.
 - "But what if I don't want to wait 24 weeks? I want loan forgiveness NOW!"
 - OK Veruca Salt, you can still get forgiveness sooner than later.
 - It appears that once you've spent the loan funds, even if it is before whatever spending period they finally land on, you can still process your forgiveness application. More to come on this topic.
 - If this passes, it paves the way for more strategic thinking on how to best use the funds to get full forgiveness.
 - One item that is flying under the radar - EIDL Grants
 - Remember those \$1,000 per employee grants, up to a \$10K max?
 - Those will reduce your total PPP loan forgiveness. So they actually appear to end up being loans if you got both the EIDL and the PPPL. Bummer.

Regulatory Updates 5/29/20

USDA Food Assistance Program

- For those in the farming, ranching and forestry industries, don't forget about the Coronavirus Food Assistance Program.
- They started taking applications May 26.
- If you're in this industry, take a hard look at this program. We've helped some folks through the application already, so don't hesitate to reach out.
- More info at <https://www.farmers.gov/cfap>

Re-Opening - Do The Right Thing

- Part of the re-opening process involves performing a risk-assessment of your business.
- This is important for both your customers and your employees, as well as complying with the law.
- Customers and employees may have questions about entering your place of work and a risk assessment can help communicate that you have thought things through.
- Guidelines for re-opening and performing a risk assessment can be found at a couple of different sites:
 - <https://safeatworkca.com/covid-19-returning-to-work/>
 - <https://www.emergencyslo.org/en/reopening.aspx>
- For example, looking at the guidance for hair salons, here are some things to consider:
 - Physical distancing
 - Hand washing
 - Face coverings and other PPE
 - Employee Training on COVID-19 and its symptoms
 - Temperature screening
 - Customer guidelines displays
 - Cleaning and disinfecting
 - Payment processing
 - Books, magazine, waiting area items

There is a lot to think about and act upon. Make sure to take the time and assess what you need to do to open safely.

That's it for this week - and thanks for all the feedback on this newsletter, glad that people are finding it helpful - thanks everyone!

Helpful Links

ReadySLO website - stay up to date in our community:

- <https://www.readyslo.org/en/index.aspx>

Judy Mahan and team at the Cal Poly SBDC are doing great things. Lots of great information here:

- <https://centralcasbdc.com/covid-19-resources-uc-merced-sbdc>

A good link to American Riviera Bank's blog on PPP loan updates

- <https://www.americanrivierabank.com/20200507/update-paycheck-protection-program-ppp>

IRS Coronavirus Website:

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

SBA Loan Assistance:

- <https://www.sba.gov/disaster-assistance/coronavirus-covid-19>
- <https://disasterloan.sba.gov/ela>

EDD Corona Virus Updates:

- https://www.edd.ca.gov/about_edd/coronavirus-2019.htm

EDD Unemployment Claim Info:

- https://edd.ca.gov/Unemployment/Filing_a_Claim.htm

CDTFA (Sales Tax) Services:

- <https://www.cdtfa.ca.gov/services/covid19.htm>

State of California Business and Economic Development Website

- <https://business.ca.gov/coronavirus-2019/>

Department of Labor Information:

- <https://www.dol.gov/agencies/whd/pandemic/ffcra-questions>