



**COVID-19
Farm &
Small Business
Assistance Webinar**

April 6, 2020 12:00 PM EST

Stay up to date:

pasafarming.org/covid19

Hosts

Hannah Smith-Brubaker, executive director of Pasa

Juli Obudzinski, National Sustainable Agriculture Coalition

Darin Miller, MidAtlantic Farm Credit

Bill Kitsch, Ephrata National Bank



Agenda

Hannah Smith-Brubaker, Pasa - introduction

Juli Obudzinski, NSAC - overview of farmer relief package in CARES Act

Bill Kitsch, Ephrata National Bank - assistance from a preferred lender perspective

Darin Miller, MidAtlantic Farm Credit - Borrowers Rights for restructuring debt

Moderated Questions; If time, open Q&A



NSAC Overview of CARES Act

The CARES Act contains a number of important provisions that have been widely reported elsewhere, including:

- direct payments to most Americans
- expanded unemployment insurance
- assistance to hospitals
- lending programs to support states, cities, and businesses
- changes to payroll taxes
- a fund to prevent small business layoffs



NSAC Overview of Agriculture Provisions

Agriculture Provisions

The most significant agricultural provision is the creation of a new \$9.5 billion disaster relief program to provide “support for producers impacted by the coronavirus.” The funding is reserved for:

- Specialty crop producers
- Livestock producers (including dairy)
- Producers that supply local food systems (including farmers markets, restaurants, and schools)



NSAC - Additional Information

- <https://sustainableagriculture.net/>
- [A Closer Look at Farmer Relief in the Senate Pandemic Aid Package](#)
- [Confusion Remains Over SBA Assistance for Farmers](#)
- [Important Emergency USDA Changes for Farm Loans and Crop Insurance](#)



Paycheck Protection Program Loan

Is a PPP loan for me?



How do I apply for a PPP loan?

1. 2-page application
2. Calculate payroll
3. Submit to preferred lender
4. Keep impeccable records



What are the PPP Payback Details?

2 years, 1% interest due at 6 months

To qualify for forgiveness:

Use in 8 weeks following loan closing

75% payroll

25% utilities, interest*, rent

*Mortgage vs mortgage interest



I don't have payroll.

Self-employed, 1099

= Apply Friday, April 10

Sole Proprietor, Schedule F or C

= How do we determine their pay?



Outside of PPP, best practices.

CARES Act defers interest for 90 days.

Increase and maintain liquidity.



Example payroll calculations

	A	B	C	D	E	F	G
1			Use March 1-June 30, 2019				
2			Month ending...				
3	Input #		3/31/2019	4/30/2019	5/31/2019	6/30/2019	# of Employees
4	1	Salary, wages, commissions (< \$100K earners)	\$0.00	\$0.00	\$0.00	\$0.00	
5	2	Salary, wages, commissions (> \$100K earners)	\$0.00	\$0.00	\$0.00	\$0.00	
6	3	Payment for vacation, parental, family, medical or sick leave	\$0.00	\$0.00	\$0.00	\$0.00	
7	4	Employer paid ismissal/separation payments	\$0.00	\$0.00	\$0.00	\$0.00	
8	5	Employer paid Group health insurance premiums/benefits	\$0.00	\$0.00	\$0.00	\$0.00	
9	6	Employer paid retirement contributions	\$0.00	\$0.00	\$0.00	\$0.00	
10	7	Employer paid state and local taxes for compensation paid	\$0.00	\$0.00	\$0.00	\$0.00	
12		TOTAL	\$ -	\$ -	\$ -	\$ -	\$ -
14			ESTIMATED LOAN AMOUNT				\$ -



What to know before you go

Communicate early with your lender

Don't wait until you're 30 days past due

Reach out 2 weeks before you think you'll miss a payment

Come with data

If you ask for 50K, how long will that cover your business?



Borrower's Rights Process

I'm interested!

Visit <https://www.mafc.com/contact-us> to find a location and start the conversation.



What a lender really wants

www.mafc.com/update



Q&A

Already submitted questions will be asked first

Submit questions through the Q&A function during the session

If there is time, we will take callers' questions



General COVID19 information

- pasafarming.org/covid19
- Farm & Farm Market
Guidelines
(800) 268-1599 x716
- Daily PDA Update
(800) 268-1599 x717



Remember:

**“Pre-order, Pre-pay,
Pre-pack; then
Deliver or
Grab-and-Go!”**

**#farmersgetready #covid19
@pasafarming**

