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/](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

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<td>1</td>
<td>Salary, wages, commissions (&lt; $100K earners)</td>
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<td>3</td>
<td>Payment for vacation, parental, family, medical or sick leave</td>
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<td>4</td>
<td>Employer paid is dismissal/separation payments</td>
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<td>5</td>
<td>Employer paid Group health insurance premiums/benefits</td>
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<td>6</td>
<td>Employer paid retirement contributions</td>
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<td>7</td>
<td>Employer paid state and local taxes for compensation paid</td>
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**TOTAL** | $ - | $ - | $ - | $ - |

**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 COVID-19 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!”

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