

1. Will these slides be made available to us besides through the recording? [Yes. pasafarming.org/covid19]
2. Just so I'm clear, for the PPP, the process is to contact your lender for an application, calculate your monthly average payroll, etc using a spreadsheet, apply for a loan that is 2.5 x your monthly expenses. Then, if you get a loan, you can use that loan for payroll, mortgage/rent, utilities but the forgivable amount must be used within the first 8 weeks or must all the loan be used within the first 8 weeks? [The 75%+ for payroll must be used in the first 8 weeks after closing the loan.]
3. Prior to the outbreak of COVID-19, I had planned to invest approx \$7000 to build and install a shade structure and other barn improvements for my cattle operation....Are funds available for this purpose? If so, would it be a loan or a forgivable grant? [FSA continues to provide services. CARES Act doesn't include provisions for this.]
4. What can I do as a direct market farmer to ensure we are remembered in the \$9.5B [Talk to PASA and your member of congress. Sign NSAC's letter. Lean on your lenders. Congress and agencies are looking to the lenders for feedback.]
5. I am a farmer but also have some investment properties as an individual. With the ban on AirBnB in PA, I am losing upwards of \$3k/mo. Since my spouse and I file jointly and our taxes include both our farm llc and personal income, is there anything I can do to file for relief? [PPP will open to you on Friday, April 10, 2020. Schedule E or 1099 for taxes which are both eligible.]
6. Last week, the U.S. Department of Treasury (Treasury) and Small Business Administration (SBA) released an [interim final rule on the Paycheck Protection Program \(PPP\)](#). At that time, we read it to clarify that H2A workers were simply to be excluded from the payroll numbers, but now we are hearing from US SBA that they are not sure what we should do in terms of a PPP application if we have H2A workers. Should we just apply with transparency and hope for the best? We're afraid if we wait we'll miss our window. [Do not wait. H2As are not eligible. Wages paid to H2A should be excluded from your payroll calculation. If that changes, we can update it before the loan closes. You may only apply once, but alterations are likely acceptable. Having H2A workers doesn't preclude farms from applying, but H2A wages should be excluded.]
7. I have a gentleman's agreement with my next door neighbor for renting their land. Does that qualify for "rent" or interest on a PPP loan? [Documentation. Take it from just an agreement to a formal agreement. Keep checks, paid receipt, etc.]
8. How do I know if my bank is a SBA preferred lender? [It may be listed on their website. Simply call and ask. Specifically ask if they are taking PPP or EIDL. You may find information on their website stating that they're participating, but information is changing so quickly. So call and speak to your lender.]
9. My business hasn't been negatively impacted by COVID19. Can we still apply for PPP

knowing that this is an opportunity for investment, so that we can kick start the expansion of our workforce, knowing our production will need to ramp up? [You may not have been affected yet, but further developments are likely to happen. You may have *increased* payroll costs due to COVID-19. You should still apply. Only a small percentage of farms are currently taking advance of this loan and we want to make sure that farmers receive their fair share.]

10. When calculating the payroll costs for PPP, can I include Federal Taxes paid by the employer? [Social security, yes. Federal, no.]
11. We have some 1099 workers whose salary is partially covered by grants. Can we include them in the calculation? [If an employee is on the company's payroll, then they're eligible to be part of the calculation. If they receive a 1099, they can apply on their own on Friday. The funding source is not a concern.]
12. I pay some workers under the table. Can I add those onto my wages calculation? [No.]
13. How can I help my 1099 contractors apply? [Get paperwork in early. Connect them with an SBA preferred lender. They will be very small loans, so if you can help your employees put together a package with all of the paperwork, that will help your lender.]
14. We are a diversified farm with about \$350k in revenue each year. As owner, I do not take a draw, most everyone who works on our farm is family, working in exchange for housing, food, utilities, etc. OR Amish (we contract with a firm to handle their payroll that doesn't include federal taxes). We are losing two of our family members this year because of their need to go be with older parents. So, we need to bring on new employees because of our increased workload but we don't really have much prior payroll (other than the Amish), is there anything that can help us? [There is no way to account for a *future* workforce in the calculation. You can only use *historical* records to calculate your eligible loan amount. Three calculations: Yearly, Seasonal, New businesses- Jan 1, 2020-Feb 15,2020 monthly average. If you haven't paid payroll, there's no way to calculate payroll. For Amish workers, there's an example of obtaining an agreement from the payroll company stating that the company won't claim the individuals but that the farm can claim them.]
15. Do you see another infusion of money coming to farmers, be this PPP or other? [NSAC knows that Congress is working on another package that has been said to have provisions for agriculture. Hope that the next package specifically addresses farmers and food systems. Don't yet know what it will look like.]
16. Can you apply for both PPP and EIDL? Can sole proprietors apply for Both EIDL + PPP? [Yes, but you must subtract the EIDL from the forgivable PPP loan.]
17. Can I apply for PPP to cover the payroll costs for a new employee? (Employed less than 1 month at my seasonal creamery)? This employee is not part of an expansion, but rather, part of our regular seasonal hiring process. [The calculation vs what you use it for are two different things. You don't have to use the loan for a specific employee. So, while you can't figure that new employee into your loan amount calculation, you *can* use the loan to pay that new employee.]

18. When the ENB rep says farmers are eligible for SBA loans, is he only referring to PPP? If I go into the app for the other SBA loans, you have to check that you are NOT a farmer in order to continue into the app. [7a and 504 loans. Restricted to a 1M revenue per year and by 6-digit NAX code. Contact your lender. It may be a hiccup in the app or the specific program you're applying for, may not be eligible.]
19. The PPP loan has a section on EIDL. If one doesn't have such a loan, but they intend to apply, does anything go in that line? [Fill out application to be completely accurate at the time of application. *Intention* to apply does not mean that you've applied.]
20. We are a non profit urban farm. Do community foundations serve as "gatekeepers" or lenders for the PPP? [There are community foundations which are approved SBA lenders.]
21. Can you clarify?... My migrant crew won't arrive until 3 weeks from now. If I wait to close until then, will there still be money available? [Apply immediately. Receive an SBA number. Hold for 3 weeks to close.]
22. What about use of PPP funds to also cover medical policy premiums, especially if self-insured as a sole proprietorship? [Up to 25% is okay to be used. "Others" is believed to be eligible.]
23. Christina, that was great. So it doesn't have to be a year-long wages that are averaged? It can be selected 12 weeks only? [From SBA application: For seasonal businesses, the Applicant may elect to instead use average monthly payroll for the time period between February 15, 2019 and June 30, 2019, excluding costs over \$100,000 on an annualized basis for each employee. For new businesses, average monthly payroll may be calculated using the time period from January 1, 2020 to February 29, 2020.]
24. Is payroll the only information used to calculate the loan, and if so, why are businesses allowed to use the loan up to 25% for other things such as utilities and rent? [Calculating the loan amount and using the loan are two different things. The maximum loan amount is 2.5 times the monthly average payroll. So you can request a loan greater than the cost of 8 weeks of payroll. The intention is that the bulk of this money (at least 75%) be used to pay wages. The remaining 25% *can* be used to pay utilities, rent, and interest.]
25. Could you go over again payroll qualification? I'm a Beginning/Veteran Farmer with 1 employee (plus myself) before February 15 but planned on hiring 2 people for this (my first season in expanding business). [Planned/future can't go into the calculation. Any of the loan can be used for new employees, though.]
26. The PASA spreadsheet (this is wonderful and helpful) for the PPP starts on January 1. Since we have paid our payroll in the past quarter of 2020, should we change the date on the PPP wages for the 2nd quarter starting April 1, 2020. [Not a rolling quarter. Dates are set on the PPP application.]
27. If the seasonal calculations are from Feb-June, how will that affect farmers when our season is from April-November or different seasonal months? For a seasonal farm, using payroll from Feb. - June seems backward. Most farms do not need much labor in winter. Our payroll triples June - Sept. [NSAC wasn't involved in negotiations. Assumed that's

when most small businesses began to see impacts. Farmers weren't the main concern. We can try to go back and make changes for the next round of funding.]

28. Is Ephrata National Bank taking PPP loan applications for non-bank customers. My bank has exceeded their allotted amount of applications and will not process any additional loans. [Yes. ENB is a community bank and will take them. Lenders are prioritizing existing banking clients who have a relationship already.]
29. As an owner/operator not getting paid in the past, can we draw an hourly wage under the PPP loan? [Use your prior payroll and can give yourself a monthly draw. Put yourself on your payroll.]
30. Do 1099 workers who work for a nonprofit farm need to submit their PPP application to their own bank or to the bank of the nonprofit? [An SBA lender.]