

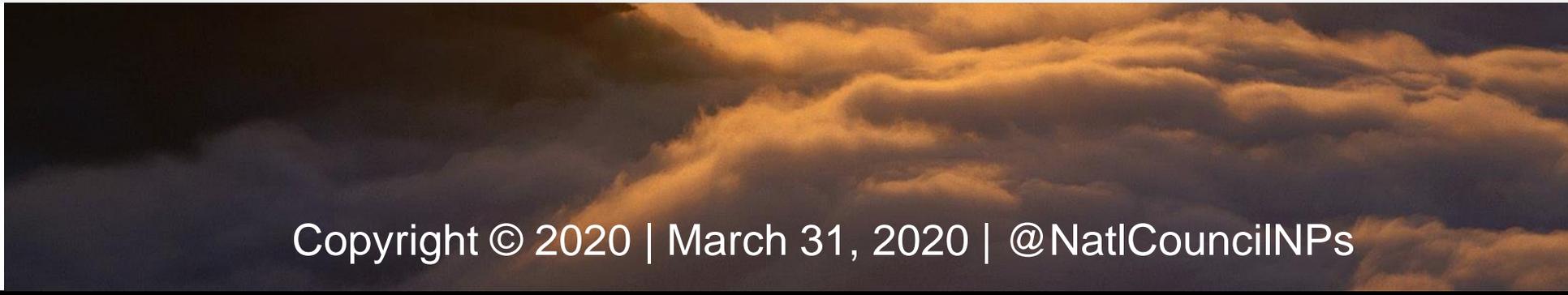


**NATIONAL COUNCIL OF
NONPROFITS**

National voice. State focus. Local impact.



Federal Coronavirus Relief Bills What Do They Mean for Nonprofits?



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**Federal Coronavirus Relief Bills
What Do They Mean for Nonprofits?**

zoom



Resources



NATIONAL COUNCIL OF
NONPROFITS

National voice. State focus. Local impact.

Resources

- www.councilofnonprofits.org
- Resource page – [Nonprofits and Coronavirus, COVID-19](#)
- **Paycheck Protection Program sample application:**
<https://www.sba.gov/document/sba-form--paycheck-protection-program-ppp-sample-application-form>
- [Analysis of the Families First Coronavirus Response Act](#), National Council of Nonprofits
- [Initial Analysis of the Coronavirus Aid, Relief, and Economic Security Act \(CARES Act\)](#)
- [Loans Available for Nonprofits in the CARES Act](#) (a chart comparing the three new loan programs of potential interest to nonprofits sector-wide)
- [How Nonprofits Can Utilize the New Federal Laws Dealing with COVID-19](#), *Nonprofit Quarterly*
- [Cutting Through the Jargon: How the CARES Act Works for Nonprofits](#), *Nonprofit Quarterly*
- [Self-Insured Nonprofits and Unemployment Insurance](#), David Heinen, blog



Federal Coronavirus Relief Bills

What Do They Mean for Nonprofits?

Phase 1 = Coronavirus Preparedness and Response
Supplemental Appropriations Act, 2020

Phase 2 = **Families First Act**
(Families First Coronavirus Response Act)

Phase 3 = **CARES Act**
(Coronavirus Aid, Relief, and Economic Security Act)

Phase 4 = ???



Federal Coronavirus Relief Bills

What Do They Mean for Nonprofits?

*What
We'll
Cover*

NEED TO KNOW

- Families First Act
- CARES Act
- Other Federal Actions

QUESTIONS & ANSWERS

NEED TO ACT

- Secure financing
- Advocate: States, Local, Federal



Federal Coronavirus Relief Bills What Do They Mean for Nonprofits?

Disclaimer

Our Best Understanding

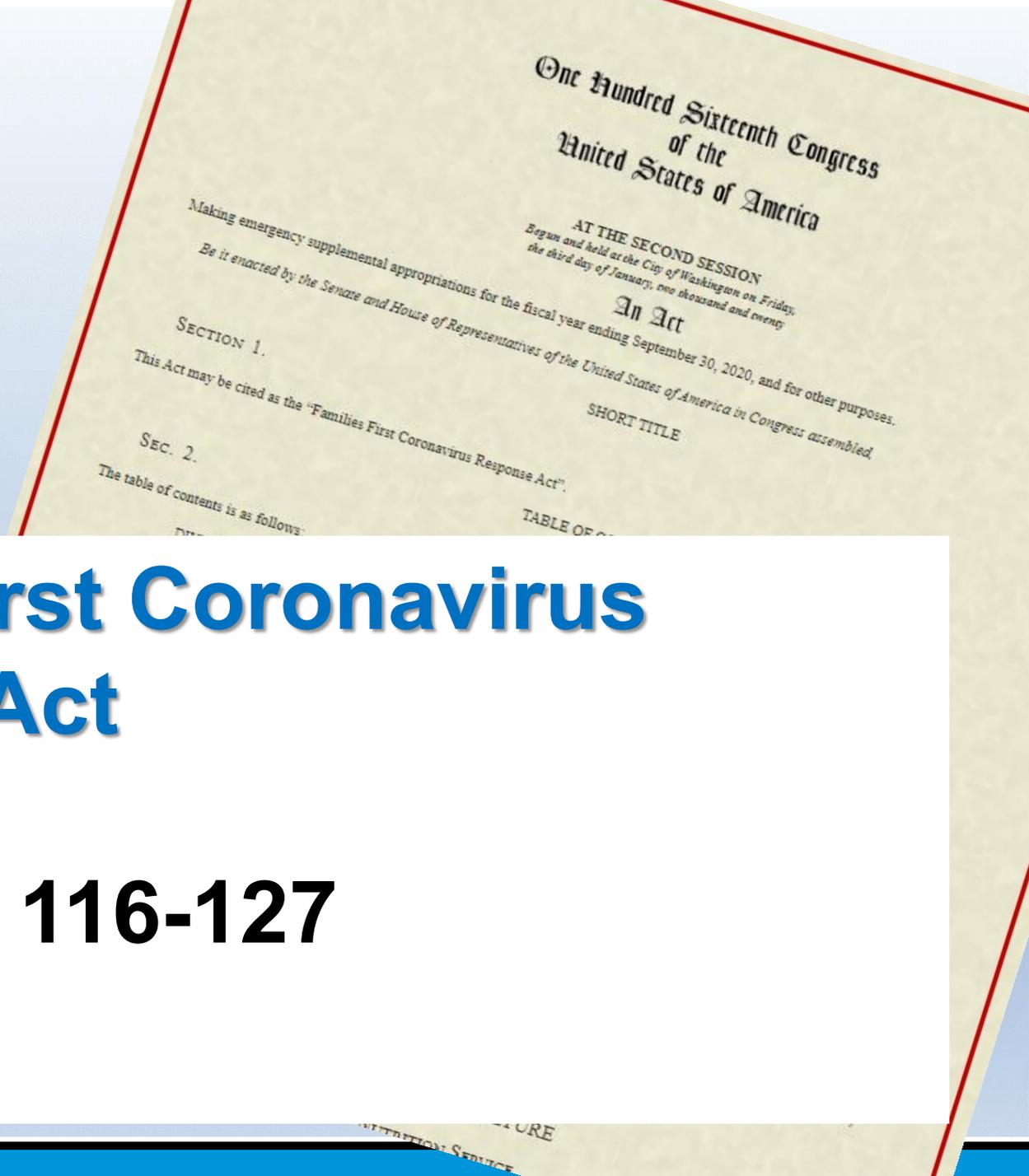
But No Federal Rules, Regs,
Guidelines Yet

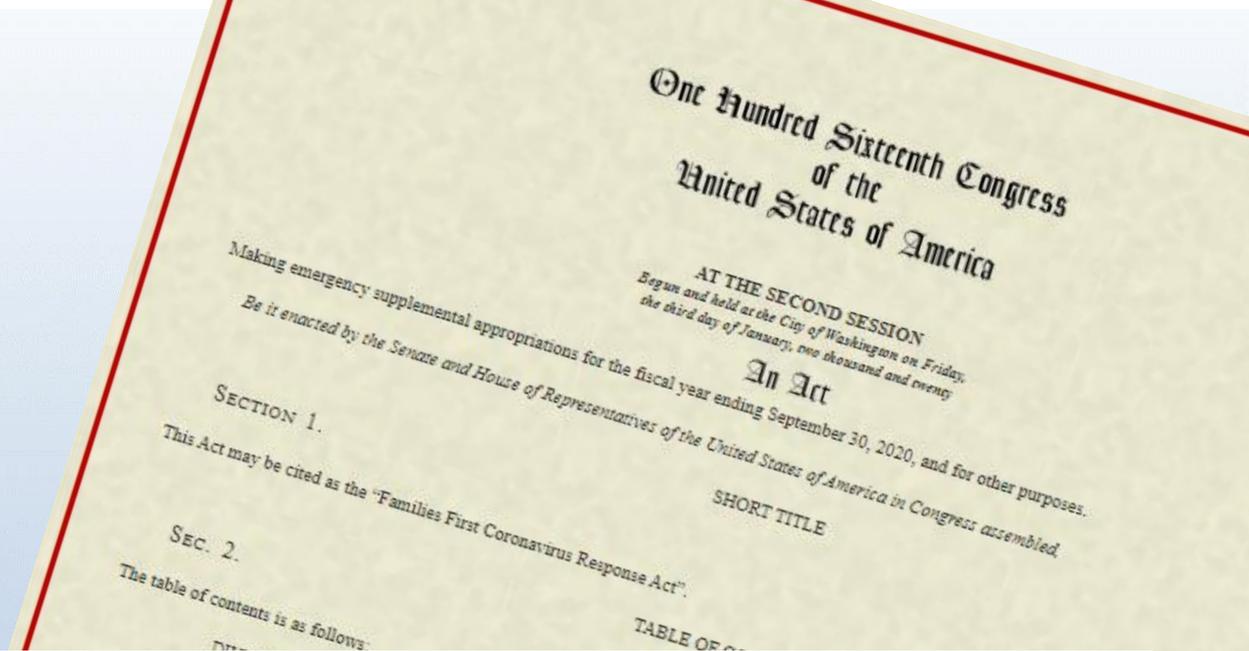
And No State Rules, Regs,
Guidelines Yet

Not Legal or Financial Advice



Families First Coronavirus Response Act (FFCRA) Public Law 116-127





Families First Act (FFCRA)

- Paid Sick and Family Leave
- Refundable Payroll Tax Credit
- CARES Act modifications

Families First Act (FFCRA)

Paid Leave Requirements

- **Employer Size:** Fewer than 500
- **Effective:** April 1, 2020
- **Expires:** Dec. 31, 2020

EMPLOYEE RIGHTS
PAID SICK LEAVE AND EXPANDED FAMILY AND MEDICAL LEAVE
UNDER THE FAMILIES FIRST CORONAVIRUS RESPONSE ACT

The Families First Coronavirus Response Act (FFCRA or Act) requires certain employers to provide their employees with paid sick leave and expanded family and medical leave for specified reasons related to COVID-19. These provisions will apply from April 1, 2020 through December 31, 2020.

PAID LEAVE ENTITLEMENTS
Generally, employers covered under the Act must provide employees:

- Up to two weeks (80 hours, or a part-time employee's two-week equivalent) of paid sick leave based on the higher of their regular rate of pay, or the applicable state or Federal minimum wage, paid at:
 - 100% for qualifying reasons #1-3 below, up to \$211 daily and \$5,103 total; and
 - 67% for qualifying reasons #4 and 5 below, up to \$200 daily and \$2,000 total; and
 - Up to 12 weeks of paid sick leave and expanded family and medical leave paid at 67% for qualifying reason #5 below for up to \$200 daily and \$12,000 total.

A part-time employee is eligible for leave for the number of hours that the employee is normally scheduled to work over that period.

ELIGIBLE EMPLOYEES
In general, employees of private sector employers with fewer than 500 employees, and certain public sector employees, are eligible for up to two weeks of fully or partially paid sick leave for COVID-19 related reasons (see below). Employees who have been employed for at least 30 days prior to their leave request may be eligible for up to an additional 10 weeks of partially paid expanded family and medical leave for reason #5 below.

QUALIFYING REASONS FOR LEAVE RELATED TO COVID-19
An employee is entitled to take leave related to COVID-19 if the employee is unable to work, including unable to telework, because the employee:

1. is subject to a Federal, State, or local quarantine or isolation order related to COVID-19;	5. is caring for his or her child whose school or place of care is closed (or child care provider is unavailable) due to COVID-19 related reasons; or
2. has been advised by a health care provider to self-quarantine related to COVID-19;	6. is experiencing any other substantially similar condition specified by the U.S. Department of Health and Human Services.
3. is experiencing COVID-19 symptoms and is seeking a medical diagnosis;	
4. is caring for an individual subject to an order described in (1) or self-quarantine as described in (2).	

ENFORCEMENT
The U.S. Department of Labor's Wage and Hour Division (WHD) has the authority to investigate and enforce compliance with the FFCRA. Employers may not discharge, discipline, or otherwise discriminate against any employee who lawfully takes paid sick leave or expanded family and medical leave under the FFCRA. File a complaint, or initiate a proceeding under or related to the Act. Employers in violation of the provisions of the FFCRA will be subject to penalties and enforcement by WHD.

For additional information or to file a complaint:
1-866-487-9243
TTY: 1-877-696-6677
dol.gov/agencies/whd



Families First Act (FFCRA)

Paid Leave Requirements

➤ Two Weeks of **Emergency Paid Sick Leave**

❑ Employee Leave – can't work or telework due to

❑ quarantine or isolation order,

❑ advice to self-quarantine, or

❑ experiencing symptoms of COVID-19

❑ Regular Pay

❑ up to \$511/day

❑ up to \$5,110 over the entire paid sick leave period

EMPLOYEE RIGHTS PAID SICK LEAVE AND EXPANDED FAMILY AND MEDICAL LEAVE UNDER THE FAMILIES FIRST CORONAVIRUS RESPONSE ACT

The Families First Coronavirus Response Act (FFCRA or Act) requires certain employers to provide their employees with paid sick leave and expanded family and medical leave for specified reasons related to COVID-19. These provisions will apply from April 1, 2020 through December 31, 2020.

PAID LEAVE ENTITLEMENTS

Generally, employers covered under the Act must provide employees:

Up to two weeks (80 hours, or a part-time employee's two-week equivalent) of paid sick leave based on the higher of their regular rate of pay, or the applicable state or Federal minimum wage, paid at:

- 100% for qualifying reasons #1, 2, and 3 below, up to \$211 daily and \$5,110 total;
- % for qualifying reasons #4 and 5 below, up to \$200 daily and \$2,000 total; and
- Up to 12 weeks of paid sick leave and expanded family and medical leave paid at % for qualifying reason #6 below for up to \$200 daily and \$12,000 total.

A part-time employee is eligible for leave for the number of hours that the employee is normally scheduled to work over that period.

ELIGIBLE EMPLOYEES

In general, employees of private sector employers with fewer than 500 employees, and certain public sector employees, are eligible for up to two weeks of fully or partially paid sick leave for COVID-19 related reasons (see below). Employees who have been employed for at least 30 days prior to their leave request may be eligible for up to an additional 10 weeks of partially paid expanded family and medical leave for reason #6 below.

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An employee is entitled to take leave related to COVID-19 if the employee is unable to work, including unable to telework, because the employee:

- | | |
|---|---|
| 1. is subject to a Federal, State, or local quarantine or isolation order related to COVID-19; | 5. is caring for his or her child whose school or place of care is closed (or child care provider is unavailable) due to COVID-19 related reasons; or |
| 2. has been advised by a health care provider to self-quarantine related to COVID-19; | 6. is experiencing any other substantially similar condition specified by the U.S. Department of Health and Human Services. |
| 3. is experiencing COVID-19 symptoms and is seeking a medical diagnosis; | |
| 4. is caring for an individual subject to an order described in (1) or self-quarantine as described in (2). | |

ENFORCEMENT

The U.S. Department of Labor's Wage and Hour Division (WHD) has the authority to investigate and enforce compliance with the FFCRA. Employees may file a complaint with WHD or file a complaint with the EEOC. The EEOC has the authority to investigate and enforce compliance with the FFCRA. Employees may file a complaint with the EEOC or file a complaint with WHD. The FFCRA will be subject to penalties.

For additional information or to file a complaint:
1-866-487-9243
TTY: 1-877-696-6627
dol.gov/agencies/whd



Families First Act (FFCRA)

Paid Leave Requirements

➤ 10 Weeks of Emergency Family and Medical Leave

- caring for a child if the child's school or childcare center is closed due to coronavirus.
- Job protections - exceptions for some employers (< 25 employees) if hardship
- 2/3rds pay up to \$200/day

EMPLOYEE RIGHTS
PAID SICK LEAVE AND EXPANDED FAMILY AND MEDICAL LEAVE UNDER THE FAMILIES FIRST CORONAVIRUS RESPONSE ACT

The Families First Coronavirus Response Act (FFCRA or Act) requires certain employers to provide their employees with paid sick leave and expanded family and medical leave for specified reasons related to COVID-19. These provisions will apply from April 1, 2020 through December 31, 2020.

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- Up to two weeks (80 hours, or a part-time employee's two-week equivalent) of paid sick leave based on the higher of their regular rate of pay, or the applicable state or Federal minimum wage, paid at:
 - 100% for qualifying reasons #1, 2 below, up to 2011 daily and \$5,110 total;
 - 67% for qualifying reasons #3 and 4 below, up to \$200 daily and \$2,000 total; and
 - Up to 12 weeks of paid sick leave and expanded family and medical leave paid at 67% for qualifying reason #5 below for up to \$200 daily and \$12,000 total.

A part-time employee is eligible for leave for the number of hours that the employee is normally scheduled to work over that period.

ELIGIBLE EMPLOYEES
In general, employees of private sector employers with fewer than 500 employees, and certain public sector employees, are eligible for up to two weeks of fully or partially paid sick leave for COVID-19 related reasons (see below). Employees who have been employed for at least 30 days prior to their leave request may be eligible for up to an additional 10 weeks of partially paid expanded family and medical leave for reasons #5 below.

QUALIFYING REASONS FOR LEAVE RELATED TO COVID-19
An employee is entitled to take leave related to COVID-19 if the employee is unable to work, including unable to telework, because the employee:

1. is subject to a Federal, State, or local quarantine or isolation order related to COVID-19;	5. is caring for his or her child whose school or place of care is closed (or child care provider is unavailable) due to COVID-19 related reasons;
2. has been advised by a health care provider to self-quarantine related to COVID-19;	6. is experiencing any other substantially similar condition specified by the U.S. Department of Health and Human Services.
3. is experiencing COVID-19 symptoms and is seeking a medical diagnosis;	
4. is caring for an individual subject to an order described in (1) or self-quarantine as described in (2).	

ENFORCEMENT
The U.S. Department of Labor's Wage and Hour Division (WHD) has the authority to investigate and enforce compliance with the FFCRA. Employers may not discharge, discipline, or otherwise discriminate against any employee who lawfully takes paid sick or expanded family and medical leave under the FFCRA. Any complaint, or violation proceeding under or related to this Act. Employers in violation of the provisions of the FFCRA will be subject to penalties and enforcement by WHD.

For additional information or to file a complaint:
WAGE AND HOUR DIVISION
UNITED STATES DEPARTMENT OF LABOR
1-866-487-9243
TTY: 1-877-696-6677
dol.gov/agencies/whd

Families First Act (FFCRA)

Paid Leave Requirements

- Closure of Worksite
 - ❑ Cancels paid leave requirement
 - ❑ Employees likely eligible for UI

- See DOL Guidance

<https://www.dol.gov/agencies/whd/pandemic/ffcra-questions> (March 27, 2020)

Families First Act (FFCRA)

Refundable Payroll Tax Credits

- Applicable to Employer Share of Payroll Taxes
- **Refundable**: Leave costs exceeding payroll taxes owed will be refundable to the employer at the end of each quarter
- IRS Form 941

Form **941 for 2020: Employer's QUARTERLY Federal Tax Return** 950117
(Rev. January 2020) Department of the Treasury — Internal Revenue Service OMB No. 1545-0029

Employer identification number (EIN)	<input type="text"/>	
Name (not your trade name)	<input type="text"/>	
Trade name (if any)	<input type="text"/>	
Address	<input type="text"/>	
Number	Street	Suite or room number
City	State	ZIP code

Report for this Quarter of 2020
(Check one.)

1: January, February, March

2: April, May, June

3: July, August, September

4: October, November, December

Go to www.irs.gov/Form941 for instructions and the latest information.

One Hundred Sixteenth Congress
of the
United States of America

AT THE SECOND SESSION
Begun and held at the City of Washington on Friday,
the third day of January, two thousand and twenty

An Act

To amend the Internal Revenue Code of 1986 to repeal the excise tax on high cost employer-sponsored health coverage.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Coronavirus Aid, Relief, and Economic Security Act."

SEC. 2. TABLE OF CONTENTS.

The table of contents for this Act is:

Coronavirus Aid, Relief, and Economic Security Act (CARES Act)

Public Law 116-136

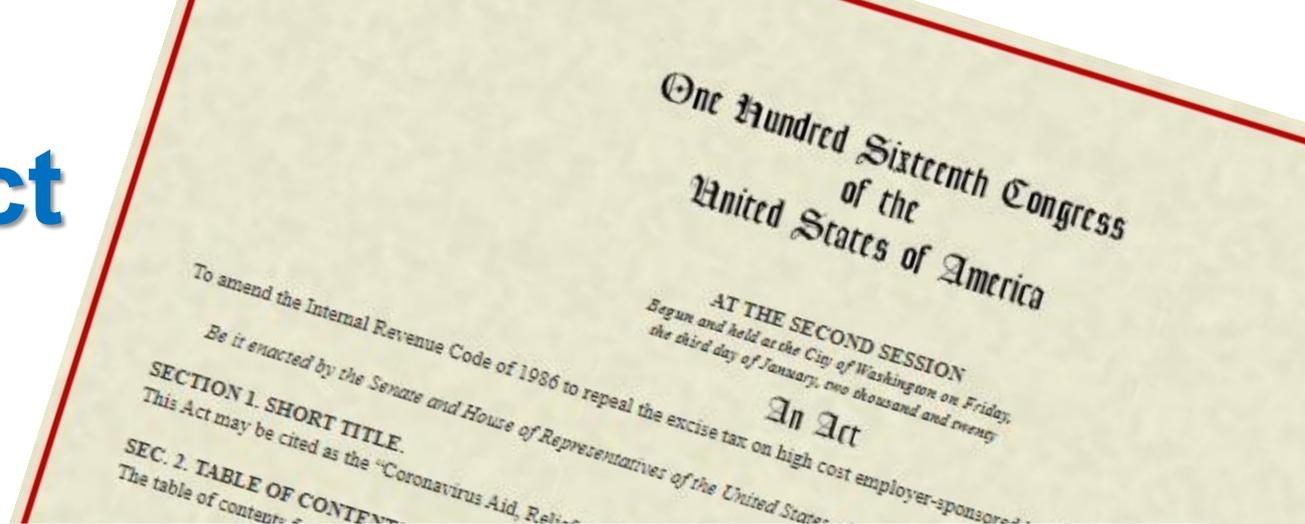
Sec. 2109. Temporary financing of unemployment compensation.
Sec. 2110. Temporary financing of short-time compensation.
Sec. 2111. Grants for short-time compensation.
Sec. 2112. Assistance for short-time compensation.



CARES Act

- Overview
- Loans for Nonprofits
- Above-the-Line Deduction
- Employee Retention Tax Credit
- Unemployment Insurance
- Student Loans

CARES Act

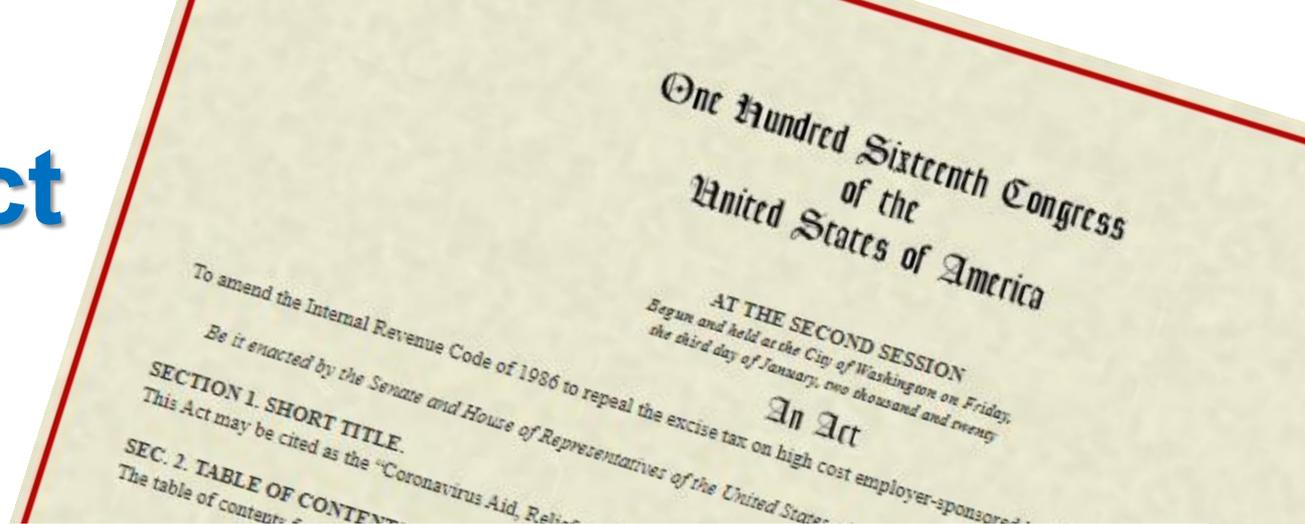


Overview

- \$2 trillion
- Approved unanimously
- Signed Friday, Mar. 27, 2020
- Significant relief for nonprofits

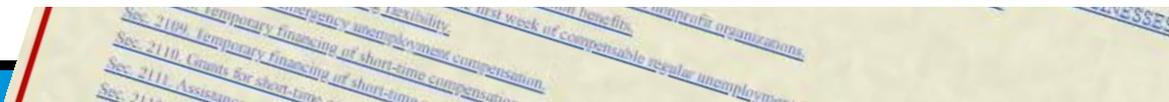


CARES Act



Note

- Looking at items of sector-wide interest
- New Act contains other items for subsectors (e.g., cultural institutions, eds & meds)



CARES Act

Loans



Loans Available for Nonprofits in the CARES Act (Public Law 116-132)

Program	Paycheck Protection Program (Emergency SBA 7(a) Loans) Secs. 1102, 1108	Expanded EIDL & Emergency Grants (SBA 7(b) Loans) Sec. 1110	Mid-Size Loan Program Sec. 4003
Description	Emergency loan program for nonprofits and for-profit entities to secure funds to pay staff and operating costs for two months, and secure full loan forgiveness under certain circumstances.	Existing Economic Injury Disaster Loan (EIDL) program expanded to more for-profit entities, applies looser credit standards, and creates a rapid grant procedure.	Largely undefined loan program to be created by the Treasury Department to fill the gap between the Paycheck Protection Program for smaller employers and the industry stabilization loans to big business.
Size Eligibility	500 or fewer employees	Existing EIDL limits for nonprofits*	Between 500 and 10,000 employees
Dollar Value	The lesser of \$10 million or 2.5 times the average total monthly payroll costs from the one-year period (look back) prior to the date of application. Express 7(a) loans available up to \$1 million.	Normal EIDL loans available up to \$2 million. EIDL advances of \$10,000 paid within 3 days.	Unspecified
Loan Processor?	Local financial institutions	Small Business Administration	Local financial institutions
Nonprofit Eligibility	Must have been in operation on 2/15/2020 and had paid employees and/or paid independent contractors. Expressly available for charitable nonprofits with 500 or fewer employees, but requires that employees of affiliated nonprofits may be counted toward the 500 employee cap, depending on the degree of control of the parent.	In operation before 1/31/2020. Loans can be based solely on credit score. Existing EIDL program applies to "private nonprofit organizations" that excludes religious institutions and some other charitable organizations.	Expressly applies to "nonprofit organizations"
Personal Guarantee	No collateral or personal guarantee required.	Waives personal guarantee up to \$200,000, and requirement of inability to obtain credit elsewhere.	Unspecified
Certification	Good-faith certification that need for the loan is based on economic conditions; funds to be used to retain worker and maintain payroll or	Self-certification under penalty of perjury.	Good-faith certification that need is based on economic conditions; funds to be used to retain and rehire employees, won't

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www.CouncilofNonprofits.org

CARES Act

Loans Available to Nonprofits

- Paycheck Protection Program
- Emergency EIDL Program
- Mid-Size Business Loan Program



NATIONAL COUNCIL OF NONPROFITS

Since 1970, we've been helping nonprofits.

Loans Available for Nonprofits in the CARES Act
(Public Law 116-137)

Program	Paycheck Protection Program (Emergency SBA 7(a) Loans) Sec. 1102, 1105	Expanded EIDL & Emergency Grants (SBA 7(a) Loans) Sec. 1115	Mid-Size Loan Program Sec. 1103
Description	Emergency loan program for nonprofits and nonprofits entities to secure funds to pay staff and operating costs for two months, and secure full loan forgiveness under certain circumstances.	Expanding Emergency (EIDL) Disaster Loan (EIDL) program expanded to more nonprofit entities, applies broader credit standards, and creates a novel grant provision.	Legislated mid-sized loan program to be created by the Treasury Department to fill the gap between the Paycheck Protection Program for smaller employers and the SBA's traditional loans for big business.
Size Eligibility	500 or fewer employees	Existing EIDL program applies to nonprofits	Between 500 and 10,000 employees
Dollar Value	The lesser of \$10 million or 2.5 times the average total monthly payroll costs from the one-year period look back prior to the date of application. Express T+1 loans available up to \$1 million.	Normal EIDL loans available up to \$2 million. EIDL advances of \$100,000 paid within 3 days.	Unspecified
Loan Processor?	Local financial institutions	Small Business Administration	Local financial institutions
Nonprofit Eligibility	Must have been in operation on 2/15/2020 and had paid employees and/or paid independent contractors. Expressly available for charitable nonprofits or 501(c)(3) or 501(c)(29) nonprofits, but requires that employees of affiliated nonprofits who be counted toward the 500 employee cap, depending on the nature of control of the parent.	In operation before 2/15/2020. Loans can be based solely on credit score. Existing EIDL program applies to "private nonprofit organizations" that conduct religious, charitable, educational, or other nonprofit operations.	Expressly applies to "nonprofit organizations"
Personal Guarantees	No collateral or personal guarantees required.	Requires personal guarantees up to \$200,000. And requirement of ability to obtain credit elsewhere.	Unspecified
Certification	Good-faith certification that need for the loan is based on economic conditions. Funds to be used to retain workers and maintain payroll of	Self-certification under penalty of perjury.	Good-faith certification that need is based on economic conditions. Funds to be used to retain and expand employment, not

CARES Act

Loans

Paycheck Protection Program

- **Who Eligible:** 500 or fewer employees*
- **Loan Amount:** 2.5 x monthly payroll*
- **Loan Use:** payroll, benefits, rent/mortgage, debt
- **How Apply:** local banks*
- **Available:** through June 30*

 NATIONAL COUNCIL OF NONPROFITS
FOR AMERICAN SOCIETY OF PROFESSIONAL MANAGERS

Loans Available for Nonprofits in the CARES Act
(Public Law 116-132)

Program	Paycheck Protection Program (Emergency Debt, 700 Loans) Secs. 1102, 1103	Expanded EIDL & Emergency Loans (EIDL, 7000 Loans) Sec. 1110, 1111	Mid-Size Loan Program Sec. 4003
Description	Emergency loan program for nonprofits and for-profits entities to assure funds to pay payroll and operating costs for two months, and secure full loan forgiveness under certain circumstances.	Emergency Economic Injury Disaster Loan (EIDL) program expanded to more nonprofits entities, applied looser credit standards, and waived a third-gate provision. EIDL limits for nonprofits*	Lengthy underfunded loan program to be created by the Treasury Department to fill the gap between the Paycheck Protection Program for smaller employers and the industry-backed loans to big business.
Size Eligibility	500 or fewer employees	Normal EIDL loans available up to \$2 million. EIDL expenses of \$10,000 paid within 3 days.	Between 500 and 10,000 employees
Dollar Value	The lesser of \$10 million or 2.5 times the average total monthly payroll costs from the previous period (look back prior to the date of application). Express TIA loans available up to \$5 million.	Normal EIDL loans available up to \$2 million. EIDL expenses of \$10,000 paid within 3 days.	Unspecified
Loan Processor?	Local financial institutions	Small Business Administration	Local financial institutions
Nonprofit Eligibility	Must have been in operation on 2/18/2020 and had paid employees and/or paid independent contractors. Expressly available for charitable nonprofits with 500 or fewer employees, but requires that employees of affiliated nonprofits may be counted toward the 500 employee cap, depending on the degree of control of the parent.	In operation before 2/18/2020. Loans can be issued solely on credit basis. EIDL program applies to "private nonprofit organizations" that exclude religious institutions and some other charitable organizations.	Expressly applies to "nonprofit organizations"
Personal Guarantee	No collateral or personal guarantees required.	Requires personal guarantee up to \$200,000, and requirements of liability to obtain credit substitute.	Unspecified
Certification	Good-faith certification that need for the loan is based on economic conditions. Funds to be used to retain workers and maintain payroll or	Self-certification under penalty of perjury.	Good-faith certification that need is based on economic conditions. Funds to be used to retain and retrain employees, work

Paycheck Protection Program

➤ **Key Provision:** Loan Forgiveness

Employers will have loans forgiven in whole or part if they:

- ✓ maintain employment for the 8 weeks after origination of loan, or
- ✓ rehire employees by June 30 (laid off between 2/15 and 4/26)


Loans Available for Nonprofits in the CARES Act
(Public Law 116-137)

Program	Paycheck Protection Program (Emergency SBA 7(a) Loans) Sec. 1102-1105	Expanded EIDL & Emergency Loans (SBA 7(a) Loans) Sec. 1115	Mid-Size Loan Program Sec. 1103
Description	Emergency loan program for nonprofits and nonprofits entities to assure funds to pay payroll and operating costs for two months, and secure full loan forgiveness under certain circumstances.	Expanding Economic Opportunity Disaster Loan (EOL) program expanded to more nonprofits, applies broader credit standards, and increases loan guarantee coverage.	Lengthy-undefined loan program to be created by the Treasury Department to fill the gap between the Paycheck Protection Program for smaller employers and the EIDL availability loans to big business.
Size Eligibility	500 or fewer employees	Normal EOL loans available up to \$2 million. EOL advances of \$100,000 paid within 5 days.	Between 500 and 10,000 employees
Dollar Value	The lesser of \$2 million or 2.5 times the average total monthly payroll costs from the one-year period look back prior to the date of application. Express T+1 loans available up to \$1 million.	Normal EOL loans available up to \$2 million. EOL advances of \$100,000 paid within 5 days.	Unspecified
Loan Processor?	Local financial institutions	Small Business Administration	Local financial institutions
Nonprofit Eligibility	Must have been in operation on 2/15/2020 and had paid employees and/or paid independent contractors. Expressly available for charitable nonprofits or 501(c)(3) or 501(c)(29) employees, but requires that employees of affiliated nonprofits who be counted toward the 500 employee cap, depending on the nature of control of the parent.	In operation before 2/15/2020. Loans can be based solely on credit score. Expressly available to "nonprofit organizations" and some other nonprofit organizations.	Expressly applies to "nonprofit organizations"
Personal Guarantees	No collateral or personal guarantees required.	Requires personal guarantees up to \$200,000. And requirement of ability to obtain credit elsewhere.	Unspecified
Certification	Good-faith certification that need for the loan is based on economic conditions. Funds to be used to retain workers and maintain payroll of	Self-certification under penalty of perjury.	Good-faith certification that need is based on economic conditions. Funds to be used to retain and expand employment, not

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Paycheck Protection Program

➤ **Key Provision:** Loan Forgiveness

Employers will have loans forgiven in whole or part if they:

- ✓ maintain employment for the 8 weeks after origination of loan
- ✓ Rule if rehire employees by June 30

Loans available on Friday

Sample application: <https://www.sba.gov/document/sba-form--paycheck-protection-program-ppp-sample-application-form>

CARES Act

Loans

Emergency EIDL Program (Economic Injury Disaster Loans)

Two Major Types

1. “Normal EIDL”
2. Emergency EIDL Grants



Loans Available for Nonprofits in the CARES Act
(Public Law 116-137)

Program	Paycheck Protection Program (Emergency SBA 7(a) Loans) Sec. 1102-1105	Expanded EIDL & Emergency Grants (SBA 7(a) Loans) Sec. 1115	Mid-Size Loan Program Sec. 1103
Description	Emergency loan program for nonprofits and nonprofits enables to secure funds to pay staff and operating costs for two months, and secure full loan forgiveness under certain circumstances.	Expanding Economic Injury Disaster Loan (EIDL) program expanded to more nonprofit entities, applies lender credit standards, and creates a rapid grant provision.	Legislated mid-size loan program to be created by the Treasury Department to fill the gap between the Paycheck Protection Program for smaller employers and the EIDL availability loans for big business.
Size Eligibility	500 or fewer employees	Expanding EIDL limits for nonprofits	Between 500 and 10,000 employees
Dollar Value	The lesser of \$2 million or 2.5 times the average total monthly payroll costs from the one-year period (look back) prior to the date of application. Express 7(a) loans available up to \$1 million.	Normal EIDL loans available up to \$2 million. EIDL advances of \$10,000 paid within 3 days.	Unspecified
Loan Processor?	Local financial institutions	Small Business Administration	Local financial institutions
Nonprofit Eligibility	Must have been in operation on 2/15/2020 and had paid employees and/or paid independent contractors. Expressly available for charitable nonprofits and 501(c)(3) employees, but requires that employees of affiliated nonprofits who do not exceed the 500 employee cap, depending on the nature of control of the parent.	In operation before 2/15/2020. Loans can be based solely on credit score. Expanding EIDL program applies to "private nonprofit organizations" that conduct religious, educational, and some other charitable organizations.	Expressly applies to "nonprofit organizations"
Personal Guarantees	No collateral or personal guarantees required.	Requires personal guarantees up to \$200,000. And requirement of ability to obtain credit elsewhere.	Unspecified
Certification	Good-faith certification that need for the loan is based on economic conditions. Funds to be used to retain workers and maintain payroll of	Self-certification under penalty of perjury.	Good-faith certification that need is based on economic conditions. Funds to be used to retain and expand employment, not

CARES Act

Loans

Emergency EIDL Program (Economic Injury Disaster Loans)

“Normal EIDL”

- **Who eligible:** “private non-profits”
- **Loan Amount:** up to \$2 million
- **How Apply:** SBA online
- **Available:** through Dec 31


Loans Available for Nonprofits in the CARES Act
(Public Law 116-137)

Program	Paycheck Protection Program (Emergency SBA 700 Loans) Sec. 1102-1105	Expanded EIDL & Emergency Loans (SBA 700 Loans) Sec. 1115	Mid-Size Loan Program Sec. 1103
Description	Emergency loan program for nonprofits and nonprofits enables to secure funds to pay staff and operating costs for two months, and secure full loan forgiveness under certain circumstances.	Expanding Economic Injury Disaster Loan (EIDL) program expanded to more nonprofit entities, applies looser credit standards, and extends a need grant provision.	Lengthy-undefined loan program to be created by the Treasury Department to fill the gap between the Paycheck Protection Program for smaller employers and the Mid-Size Lending Loans for big business.
Size Eligibility	500 or fewer employees	Expanding EIDL limits for nonprofits	Between 500 and 10,000 employees
Dollar Value	The lesser of \$2 million or 2.5 times the average total monthly payroll costs from the one-year period (not back) prior to the date of application. Express Tax loans available up to \$1 million.	Normal EIDL loans available up to \$2 million. EIDL advances of \$10,000 paid within 3 days.	Unspecified
Loan Processor?	Local financial institutions	Small Business Administration	Local financial institutions
Nonprofit Eligibility	Must have been in operation on 2/15/2020 and had paid employees and/or paid independent contractors. Expressly available for charitable nonprofits and 501(c)(3) or other employees, but requires that employees of affiliated nonprofits who be counted toward the 500 employee cap, depending on the nature of control of the parent.	In operation before 2/15/2020. Loans can be based solely on credit score. Expanding EIDL program applies to "private nonprofit organizations" that conduct religious, charitable, and some other nonprofit organizations.	Expressly applies to "nonprofit organizations"
Personal Guarantee	No collateral or personal guarantee required.	Requires personal guarantee up to \$200,000. And requirement of ability to obtain credit elsewhere.	Unspecified
Certification	Good-faith certification that need for the loan is based on economic conditions. Funds to be used to retain workers and maintain payroll of	Self-certification under penalty of perjury.	Good-faith certification that need is based on economic conditions. Funds to be used to retain and rehire employees, rent

CARES Act

Loans

Emergency EIDL Program (Economic Injury Disaster Loans)

“Normal EIDL”

➤ Key Provisions:

✓ Based on credit score

✓ Waives personal guarantee up to \$200,000

➤ Forgiveness: No

Program	Paycheck Protection Program (Emergency SBA 700 Loans) Sec. 1102-1105	Expanded EIDL & Emergency Loans (SBA 700) Loans Sec. 1115	Mid-Size Loan Program Sec. 1103
Description	Emergency loan program for nonprofits and nonprofits enables to secure funds to pay payroll and operating costs for two months, and secure full loan forgiveness under certain circumstances.	Expanding Economic Injury Disaster Loan (EIDL) program expanded to more nonprofit entities, applies lender credit standards, and extends a need grant provision.	Legally-undefined loan program to be created by the Treasury Department to fill the gap between the Paycheck Protection Program for smaller employers and the EIDL program for larger businesses.
Size Eligibility	500 or fewer employees	Existing EIDL limits for nonprofits	Between 500 and 10,000 employees
Dollar Value	The lesser of \$2 million or 2.5 times the average total monthly payroll costs from the one-year period (look back) prior to the date of application. Express Tax loans available up to \$1 million.	Normal EIDL loans available up to \$2 million. EIDL advances of \$100,000 paid within 3 days.	Unspecified
Loan Processor?	Local financial institutions	Small Business Administration	Local financial institutions
Nonprofit Eligibility	Must have been in operation on 2/15/2020 and had paid employees and/or paid independent contractors. Expressly available for charitable nonprofits (501(c)(3) or former employees, but requires that employees of affiliated nonprofits be counted toward the 500 employee cap, depending on the nature of control of the parent.	In operation before 2/15/2020. Loans can be based solely on independent contractors. Expressly available for "charitable nonprofits" and "former nonprofit organizations" and some other nonprofit organizations.	Expressly applies to "nonprofit organizations"
Personal Guarantee	No collateral or personal guarantee required.	Requires personal guarantee up to \$200,000. And requirement of ability to obtain credit elsewhere.	Unspecified
Certification	Good-faith certification that need for the loan is based on economic conditions. Funds to be used to retain workers and maintain payroll of	Self-certification under penalty of perjury.	Good-faith certification that need is based on economic conditions. Funds to be used to retain and rehire employees, rent

CARES Act

Loans

Emergency EIDL Program (Economic Injury Disaster Loans)

Emergency Advance

- **Who eligible:** “private non-profits”
- **Loan Amount:** \$10,000 in 3 days
- **How Apply:** SBA online
- **Available:** through Dec 31

 NATIONAL COUNCIL OF NONPROFITS
Loans Available for Nonprofits in the CARES Act
(Public Law 116-137)

Program	Paycheck Protection Program (Emergency SBA 700 Loans) Sec. 1102-1105	Expanded EIDL & Emergency Loans (SBA 700 Loans) Sec. 1115	Mid-Size Loan Program Sec. 1103
Description	Emergency loan program for nonprofits and nonprofits enables to secure funds to pay staff and operating costs for two months, and secure full loan forgiveness under certain circumstances.	Expanding Economic Injury Disaster Loan (EIDL) program expanded to more nonprofit entities, applies lesser credit standards, and creates a rapid grant provision.	Lengthy-undefined loan program to be created by the Treasury Department to fill the gap between the Paycheck Protection Program for smaller employers and the EIDL program for larger businesses.
Size Eligibility	500 or fewer employees	Expanding EIDL limits for nonprofits	Between 500 and 10,000 employees
Dollar Value	The lesser of \$2 million or 2.5 times the average total monthly payroll costs from the one-year period (not back) prior to the date of application. Express EIDL loans available up to \$1 million.	Normal EIDL loans available up to \$2 million. EIDL advances of \$10,000 paid within 3 days.	Unspecified
Loan Processor?	Local financial institutions	Small Business Administration	Local financial institutions
Nonprofit Eligibility	Must have been in operation on 2/15/2020 and had paid employees and/or had independent contractors. Expressly available for disabled nonprofits (501(c)(3) or former employees, but requires that employees of affiliated nonprofits who be counted toward the 500 employee cap, depending on the nature of control of the parent.	In operation before 2/15/2020. Loans can be based solely on credit score. Expanding EIDL program applies to "private nonprofit organizations" that conduct religious, charitable, and some other nonprofit organizations.	Expressly applies to "nonprofit organizations"
Personal Guarantee	No collateral or personal guarantee required.	Requires personal guarantee up to \$200,000. And requirement of ability to obtain credit elsewhere.	Unspecified
Certification	Good-faith certification that need for the loan is based on economic conditions. Funds to be used to retain workers and maintain payroll of	Self-certification under penalty of perjury.	Good-faith certification that need is based on economic conditions. Funds to be used to retain and rehire employees, rent

CARES Act

Loans

Emergency EIDL Program (Economic Injury Disaster Loans)

Emergency Advance

- **Loan Amount:** \$10,000 in 3 days
- Apply online:

<https://covid19relief.sba.gov/#/>



Loans Available for Nonprofits in the CARES Act
(Public Law 116-137)

Program	Paycheck Protection Program (Emergency SBA 7(a) Loans) Sec. 1102-1105	Expanded EIDL & Emergency Grants (SBA 7(a) Loans) Sec. 1115	Mid-Size Loan Program Sec. 1103
Description	Emergency loan program for nonprofits and nonprofits entities to secure funds to pay rent and operating costs for two months, and secure full loan forgiveness under certain circumstances.	Expanding Economic Injury Disaster Loan (EIDL) program expanded to more nonprofits, applies broader credit standards, and extends a need grant provision.	Legally undefined loan program to be created by the Treasury Department to fill the gap between the Paycheck Protection Program for smaller employers and the EIDLs available to large businesses.
Size Eligibility	500 or fewer employees	Existing EIDL program applies to nonprofits.	Between 500 and 10,000 employees
Dollar Value	The lesser of \$10 million or 2.5 times the average total monthly payroll costs from the one-year period (not back prior to the date of application). Express EIDL loans available up to \$2 million.	Normal EIDL loans available up to \$2 million. EIDL advances of \$100,000 paid within 3 days.	Unspecified
Loan Processor?	Local financial institutions	Small Business Administration	Local financial institutions
Nonprofit Eligibility	Must have been in operation on 2/15/2020 and had paid employees and/or paid independent contractors. Expressly available for charitable nonprofits and 501(c)(3) nonprofits, but requires that employees of affiliated nonprofits who be counted toward the 500 employee cap, depending on the nature of control of the parent.	In operation before 2/15/2020. Loans can be based solely on credit score. Existing EIDL program applies to "private nonprofit organizations" that conduct religious, charitable, and some other nonprofit organizations.	Expressly applies to "nonprofit organizations"
Personal Guarantees	No collateral or personal guarantees required.	Requires personal guarantees up to \$200,000, and requirement of ability to obtain credit elsewhere.	Unspecified
Certification	Good-faith certification that need for the loan is based on economic conditions. Funds to be used to repair, replace and maintain, payroll of	Self-certification under penalty of perjury.	Good-faith certification that need is based on economic conditions. Funds to be used to repair and replace equipment, rent

CARES Act

Loans

Mid-Size Business Loan Program

- **Who Eligible:** nonprofits, others with between 500 and 10,000 employees
- **Loan Amount:** unclear
- **Loan Use:** retain 90% of staff
- **How Apply:** unclear
- **Available:** through Dec. 31


Loans Available for Nonprofits in the CARES Act
(Public Law 116-137)

Program	Paycheck Protection Program (Emergency SBA 7(a) Loans) Sec. 1102-1105	Expanded EIDL & Emergency Loans (SBA 7(a) Loans) Sec. 1115	Mid-Size Loan Program Sec. 1103
Description	Emergency loan program for nonprofits and nonprofits entities to assure funds to pay staff and operating costs for two months, and assure full loan forgiveness under certain circumstances.	Expanding Economic Opportunity Disaster Loan (EOL) program expanded to more nonprofit entities, applied lender credit standards, and increased loan guarantee amounts.	Lengthy-until-fund loan program to be created by the Treasury Department to fill the gap between the Paycheck Protection Program for smaller employers and the Mid-Size Business Loan Program for big business.
Size Eligible	500 or fewer employees	500 or fewer employees	Between 500 and 10,000 employees
Dollar Value	The lesser of \$10 million or 2.5 times the average total monthly payroll costs from the one-year period (not back) prior to the date of application. Express Tax loans available up to \$1 million.	Normal EOL loans available up to \$2 million. EOL advances of \$100,000 paid within 5 days.	Unspecified
Loan Processor?	Local financial institutions	Small Business Administration	Local financial institutions
Nonprofit Eligibility	Must have been in operation on 2/18/2020 and had paid employees and/or paid independent contractors. Expressly available for charitable nonprofits (501(c)(3) or former employees, but requires that employees of affiliated nonprofits who be counted toward the 500 employee cap, depending on the nature of control of the parent.	In operation before 2/18/2020. Loans can be based solely on credit score. Expressly available for charitable nonprofits (501(c)(3) or former employees) and some other nonprofit organizations.	Expressly applies to "nonprofit organizations"
Personal Guarantees	No collateral or personal guarantees required.	Varies (personal guarantees up to \$200,000, and requirement of ability to obtain credit elsewhere).	Unspecified
Certification	Good-faith certification that need for the loan is based on economic conditions. Funds to be used to retain workers and maintain payroll of	Self-certification under penalty of perjury.	Good-faith certification that need is based on economic conditions. Funds to be used to retain and expand employment, not

CARES Act

Loans

Mid-Size Business Loan Program

- “the Secretary shall endeavor to seek the implementation of a program...”
- **Advocacy Needed!**


NATIONAL COUNCIL OF NONPROFITS
AMERICAN SOCIETY OF NONPROFIT MANAGERS

Loans Available for Nonprofits in the CARES Act
(Public Law 116-137)

Program	Paycheck Protection Program (Emergency SBA 7(a) Loans) <small>Secs. 1102-1105</small>	Expanded EIDL & Emergency Grants (SBA 7(a) Loans) <small>Sec. 1115</small>	Mid-Size Loan Program <small>Sec. 1103</small>
Description	Emergency loan program for nonprofits and nonprofits enables to secure funds to pay staff and operating costs for two months, and secure full loan forgiveness under certain circumstances.	Expanding Economic Opportunity Disaster Loan (EDL) program expanded to more nonprofit entities, applies lender credit standards, and creates a need grant provision.	Legisly-undefined loan program to be created by the Treasury Department to fill the gap between the Paycheck Protection Program for smaller employers and the EIDL expansion loans for big business.
Size Eligibility	500 or fewer employees	Expanding EDL limits for nonprofits	Between 500 and 10,000 employees
Dollar Value	The lesser of \$10 million or 2.5 times the average total monthly payroll costs from the one-year period look back prior to the date of application. Express Tax loans available up to \$1 million.	Normal EDL loans available up to \$2 million. EOL advances of \$100,000 paid within 5 days.	Unspecified
Loan Processor?	Local financial institutions	Small Business Administration	Local financial institutions
Nonprofit Eligibility	Must have been in operation on 2/18/2020 and had paid employees and/or paid independent contractors. Expressly available for charitable nonprofits or 501(c)(3) or 501(c)(29) nonprofits, but requires that employees of affiliated nonprofits who be counted toward the 500 employee cap, depending on the nature of control of the parent.	In operation before 2/18/2020. Loans can be based solely on credit score. Expanding EDL program applies to "private nonprofit organizations" that conduct religious, educational, and other charitable, or governmental, activities.	Expressly applies to "nonprofit organizations"
Personal Guarantees	No collateral or personal guarantees required.	Requires personal guarantees up to \$200,000. And requirement of ability to obtain credit elsewhere.	Unspecified
Certification	Good-faith certification that need for the loan is based on economic conditions. Funds to be used to retain workers and maintain payroll of	Self-certification under penalty of perjury.	Good-faith certification that need is based on economic conditions. Funds to be used to retain and expand employment, not

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Charitable Giving Incentives

➤ Above-the-Line Deduction

- ✓ Available to all individual taxpayers
- ✓ \$300 donation in 2020 tax year

➤ Lift AGI Cap (for itemizers)

➤ Corporate Donations

- ✓ Raises cap to 25% of taxable income
- ✓ Raises food donation cap to 25% also

Employee Retention Tax Credits

- **Refundable** payroll tax credit
- Up to \$5,000 per employee per quarter
- **Conditions:**
 - ✓ be an ongoing concern at the beginning of 2020,
 - ✓ experienced a whole or partial shutdown, and
 - ✓ saw a drop in revenue of at least 50 percent in the first quarter compared to the first quarter of 2019.

Employee Retention Tax Credits

- **Tax-exempt organizations:** the entity's whole operations must be taken into account when determining eligibility.
- **NOTE:** employers receiving Paycheck Protection Program loans are not eligible for these credits.

CARES Act

Unemployment

Unemployment Insurance

❖ Individuals

- ✓ Waives waiting period, extends 13 weeks
- ✓ \$600/week more than state benefit (4 months)
- ✓ Uninsured – church employees – covered

❖ Employers

- ✓ Most employers – hold harmless lang.
- ✓ Self-Insured – only covered 50%

CARES Act

Student Loans

- **Forbearance** (thru 9/30/20)
 - ✓ Talk to loan service provider
 - ✓ Qualifies for PSLF (now 114 payments)
- **0% Interest Rate** (thru 9/30/20)
 - ✓ Automatic
- **Wage Garnishment, Debt Collections Stopped** (at least 60 days from 3/13/20)
 - ✓ Automatic

Other Federal Actions

Internal Revenue Service

Delayed Income Tax Filings

Nonprofit Filings Not Delayed



Office of Management and Budget

Flexibility to Federal Departments
to grant waivers, continue paying
under grants [OMB Memo M-20-17](#)

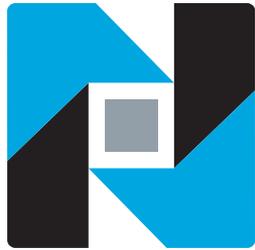


2020 Census: Be Counted Now!

my2020census.gov

- **Census Day:** April 1, 2020 (Tomorrow)
- **Fill Out Form Now:** online, by phone, via paper questionnaire
- **Census Bureau Suspended Operations**
 - ✓ Reduced in person assistance
 - ✓ Reduced in person follow-up
- **Deadline Extended:** 8/14/2020

United States
Census
2020



NATIONAL COUNCIL OF NONPROFITS

National voice. State focus. Local impact.



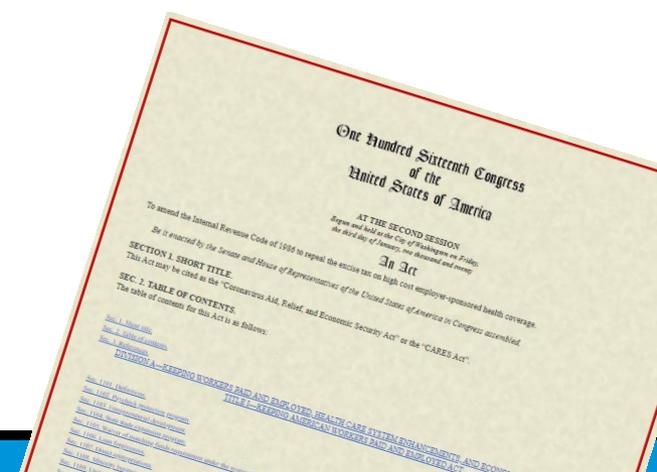
Questions?



Loans Available for Nonprofits in the CARES Act
(Public Law 116-132)

Program	Paycheck Protection Program (Emergency SBA 7(a) Loans) Sec. 1102, 1103	Expanded EIDL & Emergency Grants (SBA 700 Loans) Sec. 1113	Mid-Size Loan Program Sec. 501
Description	Emergency loan program for nonprofits and nonprofits entities to assure funds to pay payroll and operating costs for one month, and assure full tax forgiveness under certain circumstances.	Expanding Economic Injury Disaster Loan (EIDL) program extended to most nonprofits across all 50 states, lower credit standards, and includes a Rapid Grant provision.	Legally unaffiliated loan program to be created by the Treasury Department to fill the gap between the Paycheck Protection Program for smaller nonprofits and the mid-size assistance loans to big business.
Size Eligibility	\$50 or fewer employees	Expanded EIDL limits for nonprofits	Between 500 and 10,000 employees
Dollar Value	The lender of \$10 million or 2.5 times the average total monthly payroll costs from the previous period (whichever is less) prior to the date of application. Express Tax loans available up to \$2 million.	Normal EIDL loans available up to \$2 million. EIDL advances of \$10,000 paid within 3 days.	Unspecified
Loan Processor?	Local financial institutions	Small Business Administration	Local financial institutions
Nonprofit Eligibility	Must have been in operation on 2/18/2020 and had paid employees and/or paid independent contractors. Expressly available to charitable nonprofits and 501(c)(3) nonprofits, but requires that employees of affiliated nonprofits may be included toward the 500 employee cap, depending on the degree of control of the sector.	In operation before 3/18/2020. Loans will be based solely on 501(c)(3) status. Expanded EIDL program applies to "private nonprofit organizations" that exclude religious institutions and some other charitable organizations.	Express applies to "nonprofit organizations"
Personal Guarantee	No collateral or personal guarantee required.	Varies personal guarantee up to \$200,000, and requirements of inability to obtain credit elsewhere.	Unspecified
Certification	Good-faith certification that need for the loan is based on economic conditions. Funds to be used to repair, rather than maintain, capital of activity.	Self-certification under penalty of perjury.	Good-faith certification that need is based on economic conditions. Funds to be used to repair and sustain employment, etc.

Source: SBA 2020 | SBA's 501(c)(3) Loan 7(a) | Emergency 7(a) Loans | SBA 700 EIDL | SBA 501 EIDL | www.nationalcouncilofnonprofits.org



Taking Action



Taking Action



1. Emergency EIDL Advance

- **Loan Amount:** \$10,000 in 3 days
- Apply online: <https://covid19relief.sba.gov/#/>

2. Paycheck Protection Program Loans

- **Loan Amount:** 2.5 x monthly payroll
- Apply at Bank: starting **FRIDAY** Apr. 3

theforakergroup
Standing Beside Alaska's Nonprofits

Taking Action in the States



HANO
Hawaii Association of Nonprofit Organizations