

# FREQUENTLY ASKED QUESTIONS\*

Massachusetts District Office

(Updated 5/22/20)

## Paycheck Protection Program

1. Where can I find the rules for PPP?

*Please see guidance on [www.Treasury.gov](http://www.Treasury.gov)*

*We are still awaiting Final Rules, currently the [Borrower Fact Sheet \(3/31/2020\)](#) is available along with the [Interim Final Rule 1](#) (originally posted April 2, 2020)*

2. How can I contact someone with an issue I am having with PPP?

*Reach out to your lender first, for any issues your lender cannot handle please reach out to the district office lender relations team at: [MassachusstsDO@sba.gov](mailto:MassachusstsDO@sba.gov)*

3. How do I figure out how to apply for Forgiveness?

*Please visit [www.Treasury.gov](http://www.Treasury.gov) where all updated guidance will get populated*  
[Loan Forgiveness Application](#)

4. Is there guidance for Self-Employed and Independent Contractors?

*Please see guidance on [www.Treasury.gov](http://www.Treasury.gov)*

[Interim Final Rule on Additional Eligibility Criteria and Requirements for Certain Pledges of Loans](#) (originally posted 4/14/2020)

5. What if an employee does not want to come back to work during the pandemic? How does that affect my forgiveness?

*Question #40 of latest FAQs sheet on [www.Treasury.gov](http://www.Treasury.gov)*  
[Frequently Asked Questions \(5/19/2020\)](#)

*40. Question: Will a borrower's PPP loan forgiveness amount be reduced if the borrower laid off an employee, offered to rehire the same employee, but the employee declined the offer?*

*Answer: No.. The interim final rule will specify that, to qualify for this exception, the borrower must have made a good faith, written offer of rehire, and the employee's rejection of that offer must be documented by the borrower. Employees and employers should be aware that employees who reject offers of re-employment may forfeit eligibility for continued*

*unemployment compensation.*

6. When applying for the PPP can one include contractors as well as full time W2 employees?  
*No, contractors may apply for their own PPP. Please see [page 3 of the borrower fact sheet](#). Any amounts that an eligible borrower has paid to an independent contractor or sole proprietor should be excluded from the eligible business's payroll costs. For more information please review [How to Calculate Loan Amounts](#) on [Treasury.gov](#).*
7. Can individual SBA banks impose additional requirements on PPP loans?  
*Lenders may ask for additional information as proof on how your payroll calculations were calculated on a case by case basis. Also due to each lenders internal Bank Secrecy Act procedures they may require information that helps them identify true ownership in a business.*
8. If we received PPP funding in April but our state is not ready to open yet, can we start our 8-week period in May once things are more settled?  
*According to current rules, the 8-week period starts when the money disburses from your bank.*
9. If I receive unemployment assistance can I also get PPP?  
*We cannot provide guidance on eligibility with unemployment related issues, please check with your state unemployment office: <https://www.mass.gov/unemployment-insurance-ui-online>*
10. As an S-Corp or Sole Owner LLC, where can I find resources for calculating the PPP amount?  
*Please see guidance on [Treasury.gov](#) which provides scenarios on calculating loan amounts. [How to Calculate Loan Amounts](#)*
11. My state is not allowing me to open. Can you receive two PPP loans if the first runs out?  
*According to current guidance, you may only receive one PPP loan.*
12. Can I apply for PPP second time for additional funds?  
*Unfortunately, you may not apply for PPP for a second time for additional funds. Certain businesses may be eligible for a loan increase, please see guidance published at: [Interim Final Rule on Loan Increases](#) (originally posted 5/13/2020)*

13. I am not an employee. I am a 1099 contractor; do I qualify for the PPP?

*Yes 1099 independent contractors may qualify and may apply for their own PPP loans provided they meet other eligibility criteria. Although only 8 weeks' worth of their loan amount will be forgiven according to current rules. please see:*

[Interim Final Rule on Additional Eligibility Criteria and Requirements for Certain Pledges of Loans](#) (originally posted 4/14/2020)

## **Economic Injury Disaster Loan Program**

1. How do I contact someone to go over an issue I am having with EIDL?

*SBA's Customer Service Center representatives are available 7 days/week from 8am to 8pm at 800-659-2955 or e-mail [disastercustomerservice@sba.gov](mailto:disastercustomerservice@sba.gov). Once you reach a first level representative, you may request a "TIER 2" representative to look in the system for status. Any complex issues, please email: [MassachusettsDO@sba.gov](mailto:MassachusettsDO@sba.gov)*

2. When will the EIDL loan be available again?

*The EIDL loan application portal is currently open for agricultural businesses only. At this time, we do not know when or if the EIDL application portal will reopen for all other businesses. Please make sure you are subscribed to our newsletter, if it opens up again we will send out an update to our subscribers: [www.sba.gov/updates](http://www.sba.gov/updates)*

3. How do I get a status update on my EIDL loan / Advance if I applied early and did everything right and still have not heard back?

*If you are looking for information on the status of an EIDL loan or advance, please call customer service at 1-800-659-2955 (TTY: 1-800-877-8339) or email [disastercustomerservice@sba.gov](mailto:disastercustomerservice@sba.gov).*

*Please note that it could take more than a month to process your EIDL application. If it has been more than a month since you applied, please send an email to [massachusettsdo@sba.gov](mailto:massachusettsdo@sba.gov) and provide the date you submitted your application, business name, and your application number. While the Massachusetts District Office does not have the ability to check on the status of EIDL applications, we will follow-up with the Office of Disaster Assistance.*

4. We are a small family owned hotel and applied for EIDL in hopes to receive the maximum of \$2M; Is that still possible?

*SBA had to make a difficult decision to limit loan amounts to ensure the program reaches as many small businesses as possible. Historically, the maximum amount of EIDL assistance is 2 million dollars. During these unprecedented times and given our current funding levels we do not expect a loan amount to reach \$2 million.*

5. Are there as strict parameters with the EIDL as there are with PPP? For example, can I use the EIDL to pay my business credit card balance?  
*The Economic Injury Disaster Loan (EIDLs) funds are for working capital to pay the ordinary and necessary debts and obligations as if the business were not impacted by the disaster. Funds cannot be used to expand or improve the business or refinance existing debt. However if credit cards were used for working capital needs on an emergency basis (similar to obtaining an emergency or bridge loan), they can use the EIDL proceeds to pay the portion of the credit card that was used for emergency purposes as a result of the disaster.*
6. Are there certain things that should be paid with the economic injury loan?  
*EIDL program loan proceeds may be used as working capital to pay for expenses, such as payroll, accounts payable, rent, mortgage, vehicle leases, and other bills that would have been able to be paid if not for the COVID-19 disaster. [Disaster Program SOP](#)*
7. We have received acknowledgement but no indication as to whether, when or how much funding we may receive. How does this process work?  
*While your loan is in the processing queue you will receive an invitation to go into the portal. You will see a loan proposal amount. This is for you to indicate whether you accept this amount, want less or decline the loan amount. You cannot request an increase unfortunately. The proposal is not an approval. The loan is not approved until the loan officer processes the application and requests that you come to the portal to sign loan closing documents.*
8. I received an email directing me to create an account portal for EIDL loan. I created it, but I keep receiving errors that my business checking account info can't be verified.  
*Contact SBA's Customer Service Center representatives are available 7 days/week from 8am to 8pm at 800-659-2955 and have them put a note on the account indicating this issue.*
9. Is collateral taken for EIDL/Advance?  
*Collateral is only taken for loans in excess of \$25,000. There is not real estate collateral required. A blanket UCC-1 will be filed against non-real estate business assets.*
10. What address does the email from the portal come from?  
*All EIDL communications come from [disastercustomerservice@sba.gov](mailto:disastercustomerservice@sba.gov)*
11. Where can I find the rules for EIDL?  
*EIDL frequently asked questions page: <https://disasterloanassistance.sba.gov/s/faq>  
Also publicly available is: [Disaster Assistance Program SOP](#)*

12. If I have an application number starting with 2000 what do I do?  
*You must go back into the current portal and reapply (<https://covid19relief.sba.gov/#/>) Then email both of your application numbers to [massachusettsdo@sba.gov](mailto:massachusettsdo@sba.gov) and we will reach out to the Office of Disaster Assistance to request that they match up the applications.*
13. If we received a denial for EIDL how can I dispute the denial?  
*To request reconsideration for the Emergency Advance funds, subject to the availability of funds. You/your borrower can submit your request to any of the following:*
- Mail your request to U.S. Business Administration, Processing and Disbursement Center, 14925 Kingsport Road, Fort Worth, TX 76155*
- Fax your request to: 202-481-5931 or E-mail your request to: [pdcrecons@sba.gov](mailto:pdcrecons@sba.gov).*
- Your request must:*
- Be in writing and be received by this office as soon as possible.*
- Contain all significant information that will overcome the decline/withdrawal reason(s).*
14. How do we help make a correction on an application regarding banking info or anything else?  
*E-mail your request to: [pdcrecons@sba.gov](mailto:pdcrecons@sba.gov).*
15. Can the EIDL money be put into an interest-bearing account?  
*The Treasury can deposit the disbursements to business checking or savings accounts.*
16. Does EIDL interest start accruing immediately or is that delayed for the year as well?  
*EIDL interest accrues when the funds are disbursed to the borrower. The accrued interest will be added on to the remaining term of payments after the 12-month deferral.*
17. I applied in March by a mail-in paper application. Shortly thereafter applications were only accepted online. How do I find out about the status of my application?  
*The Disaster Center did take in paper applications. I would suggest to first reach out to them to see if those applications are in the pipeline. To find out the status please contact the Disaster Assistance Center at 1-800-659-2955 (TTY: 1-800-877-8339) or by e-mail at [disastercustomerservice@sba.gov](mailto:disastercustomerservice@sba.gov). They may need to provide business identifier information such as business tax ID.*

## EIDL Advance

1. I applied for EIDL early and have not received the 10K advance yet, what is the process?  
*The Advance is \$1,000 per employee up to \$10,000 max. Generally, you will not receive a notice when an Advance is disbursed. Check your bank account for a deposit from the Treasury on behalf of SBA. Once someone submits their application, they must wait to be notified to come to the portal for the next steps toward an approval. If the application is a decline, they will receive a decline letter with how to appeal the decision and ask for reconsideration.*
2. We applied for the EIDL on 3/21 and the streamlined version on 3/31. We received the Advance but have not heard anything else. Are EIDLs still being issued?

*If you are looking for information on the status of an EIDL loan or advance, please call customer service at 1-800-659-2955 (TTY: 1-800-877-8339) or email [disastercustomerservice@sba.gov](mailto:disastercustomerservice@sba.gov).*

*Please note that it could take more than a month to process your EIDL application. If it has been more than a month since you applied, please send an email to [massachusettsdo@sba.gov](mailto:massachusettsdo@sba.gov) and provide the date you submitted your application, business name, and your application number. While the Massachusetts District Office does not have the ability to check on the status of EIDL applications, we will follow-up with the Office of Disaster Assistance.*

3. I applied for EIDL in early April and did not receive an Advance. I was told that I did not check the box in the online application. Is there a way to correct this?  
*There is no way for you to correct the application, you may discuss this when the loan officer contacts you.*

## General Questions

1. How do I get the latest updates from the SBA?  
*Subscribe and go to: [www.sba.gov/updates](http://www.sba.gov/updates)*
2. What are you doing for the disabled community?  
*Disabled and any underserved communities have been accessing mentoring and counseling services through SCORE, Massachusetts Small Business Development Center, and Center for Women & Enterprise in addition to other resource partners throughout the state. For any reasonable accommodations, please reach out to our office: [MassachusettsDO@sba.gov](mailto:MassachusettsDO@sba.gov) We can also schedule any sign language interpreters with advanced notice.*
3. I would like more direct assistance as a woman owned business and a woman with a disability

Please reach out to any of our resource partners, specifically our Women's Business Center, Center for Women & Enterprise: <https://www.cweonline.org/>

Join any of their virtual sessions here: <https://cweonline.org/About-CWE/CWE-Eastern-Massachusetts> or schedule a meeting by emailing: [Info.EasternMA@CWEonline.org](mailto:Info.EasternMA@CWEonline.org)

4. What resources are there for a small business in rural Western MA?  
*Please schedule a virtual session with the Mass Small Business Development Center Western Mass Regional Office, fill out the Online Request for Counseling Form and someone will get back to you (<https://www.msfdc.org/wmass/rfc.html>) and also reach out to the Western MA SCORE Chapter (<https://westernmassachusetts.score.org/>)*
  
5. I have a small professional services business in Boston. I work out of my home and have no employees. What loans or grants are suitable and still available for me?  
*Both EIDL (right now EIDL program is only accepting applications for agricultural businesses) and PPP may be options for you depending on what business entity you have (sole prop, independent contractor, etc). Regular SBA lending (7A, 504, Microloans) is also available. Please see resources listed at the bottom of document.*
  
6. Are there pre-payment penalties for PPP or EIDL?  
*There is no prepayment penalty for paying off an EIDL or PPP early.*
  
7. We are an essential business. We are extremely grateful for the lifesaving help from SBA, however our 8-week PPP runs out June 15. Are there other programs we should be looking at?  
*Yes, you may consider looking at regular lending program offered by SBA including: 7(a), 504 or microloans. Also look for grant opportunities with city, state, and other private organizations.*
  
8. We are a new restaurant and postponed opening. Because we are new, we have not opened yet, and we are facing the challenge on whether we may still open this restaurant. Any advice?  
*Please reach out one of our local resource partners as they may be able to provide you with guidance on your businesses next steps and actions. Check list of resource partners to schedule a virtual counseling session.*
  
9. Can EIDL funds be used for payroll after the July 1 cut off for PPP?  
*Yes, working capital needs for EIDL do include payroll costs. Applicants that receive an EIDL loan after April 3, 2020 may apply for a PPP loan. However, the PPP loan must not be used for the same purpose as the EIDL loan. If the PPP loan is for the same purpose as the EIDL loan, this will be considered an ineligible duplication of benefits.*

## LIST OF LOCAL COUNSELING & RESOURCES

For information about resources in the Massachusetts District, please visit: [www.sba.gov/MA](http://www.sba.gov/MA)

### COUNSELING & RESOURCE PARTNER NETWORK:

[Veterans Business Outreach Center \(VBOC\)](#)

[Center for Women & Enterprise - Eastern Massachusetts](#)

[Center for Women & Enterprise - Central Massachusetts](#)

[SCORE Boston Chapter](#)

[SCORE Worcester Chapter](#)

[SCORE Northeastern Massachusetts Chapter](#)

[SCORE Southeastern Massachusetts Chapter](#)

[SCORE Western Massachusetts Chapter](#)

[SCORE Cape Cod Chapter](#)

[SCORE Rhode Island \(Serving Fall River, New Bedford\)](#)

[MSBDC Northeast Regional Office at Salem State University](#)

[MSBDC Central Regional Office at Clark University](#)

[MSBDC Southeast Regional Office at Bristol County Chamber of Commerce](#)

[MSBDC Western Regional Office at UMass Amherst](#)

[MSBDC Berkshire Regional Office in Pittsfield](#)

[Massachusetts Export Center](#)

[Massachusetts Procurement Technical Assistance Center](#)

## SBA 7(a), 504, MICROLOAN PROGRAMS

If you for have exhausted COVID19 relief options, consider applying for regular SBA lending programs:

### General Small Business Loans: 7(a) Loan Program

The [7\(a\) loan program](#) is the SBA's primary program for providing financial assistance to small businesses. The terms and conditions, like the guaranty percentage and loan amount, may vary by the type of loan. [Read more >> Types of 7\(a\) Loans](#)

### 504 Loan Program

The [504 Loan Program](#) provides approved small businesses with long-term, fixed-rate financing used to acquire fixed assets for expansion or modernization. 504 loans are made available through Certified Development Companies (CDCs), SBA's community-based partners for providing 504 Loans. [Read more >> Real Estate & Equipment Loans: CDC/504](#)

### Microloan Program

The [Microloan program](#) provides loans up to \$50,000 to help small businesses and certain not-for-profit childcare centers start up and expand. The average microloan is about \$13,000. [Read more >> Microloan Program](#)

### Lender Contacts

[Lender List \(as of 2020\)](#)

[PPP Eligible Lender Finder](#)

[PPP Participating Lenders List \(4/30/20\)](#)

[PPP Participating Lenders by State](#)