

Oregon Child Care Provider Relief Guide.

COVID-19 Emergency Financial Resources for Child Care Providers

Child care providers across Oregon are experiencing significant challenges and difficult decisions as a result of the COVID-19 pandemic. To help providers remain in business through this uncertain time, the Coronavirus Aid, Relief, and Economic Security Act (CARES Act) provides loans and grants to small businesses with fewer than 500 employees. *Nonprofit and for-profit child care providers (home and center-based) are eligible to apply for these funds.*

You may access a link to the Main Street Alliance's detailed "[Small Business Guide to COVID-19 Policies](#)" but we are first calling attention to one of the five main programs available, the Paycheck Protection Program (PPP). The PPP is *expected to be the most popular program for child care providers and other small businesses*. Given that PPP loans will be granted on a first-come, first-served basis and that there will not be enough for all eligible businesses, **it is important to move quickly if your organization is eligible and interested.**

Paycheck Protection Program.

The Paycheck Protection Program (PPP) loans created in the CARES Act will be available through banks and credit unions that already participate in what is known as the Small Business Administration's (SBA) 7(a) program. Applications are expected to become available to lenders as soon as **Friday, April 3, 2020.**

The PPP allows forgiveness (up to 2.5x monthly payroll) of loan funds used to pay salaries of staff making less than \$100,000 per year, costs related to paid sick or family leave, health insurance benefits, retirement benefits, rent or mortgage, or utilities.

To apply for a PPP loan:

1. **Contact your bank or credit union TODAY** and ask if they participate in the 7(a) program.
 - Applications may be more likely to be approved by a lender who knows you, your organization and your banking history.
 - If your financial institution does not participate, ask them to connect you to a bank or credit union that does.
 - If you are not able to receive a direct referral from your bank or credit union, [click on this link to view the top 100 SBA 7\(a\) participating financial institutions.](#)
 - Note: The lender's fee is paid by the program and the lender or their agents may not collect any fees from you, the applicant.

2. You may expect to produce the following documentation during your application:
 - [Paycheck Protection Program Application Form](#) – Sample linked here
 - [SBA form 1919 & 1920](#)
 - 2019 IRS forms (tax return or 990) or 2018 forms if you haven't filed 2019 taxes
 - Complete end-of-year income, expense, and asset statements with payroll detail

Other Programs.

In addition to the Paycheck Protection Program, there are four additional programs summarized below*:

Refundable Employee Retention Credit

- “Up to \$5,000/employee/month refundable tax credit for wages paid by businesses with significant gross receipt declined due to Covid-19”
- Section 2301 of the CARES Act (H.R. 748, “3rd Relief Bill”)
- [Administered by the IRS](#)
- Cannot be combined with PPP, only 50% of wages

Economic Injury Disaster Loan (EIDL)

- “Up to \$2m (<4%, 30yr) loan to alleviate specific economic injury. Not forgivable”
- Advance of up to \$10,000
- Part of the FFCRA (H.R. 6201, “2nd Relief Bill”)
- [Administered by SBA](#)
- Must document specific injury

Emergency EIDL Grants

- “Up to \$10k paid out in < 3 days”
- Section 1110 of the CARES Act (H.R. 748, “3rd Relief Bill”)
- [Administered by the SBA](#)
- Part of the EIDL process

Emergency Family and Medical Leave

- “Government requires you to provide 2 week sick leave and 10 week family leave for employees impacted by Covid-19. Government will cover up to \$500/day sick leave, and up to \$200/day family leave”
- Division C of the FFCRA (H.R. 6201, “2nd Relief Bill”)
- [Administered by the IRS](#)

*Summaries provided here are not intended to be legal advice and are based on publicly available information. Please do your own research to evaluate these programs and lenders based on your specific situation and needs.

*Summary items sourced from [microconf.com overview](#)

See the latest resources and Frequently Asked Questions at www.orproviderrelief.org