Paycheck Protection Program (PPP) Summary

This document was put together by a Quivira staff member who participated in the Farms Common webinar. It summarizes the most pertinent information about the PPP and is written specifically for our New Agrarian Program mentors. Please conduct additional research into the loan regarding your eligibility.

What is the PPP?
If you follow the right steps, the PPP is a forgivable loan to cover up to 2 months of payroll costs and/or self-employment income, plus portion of rent, utilities, and mortgage interest.

Are Quivira NAP mentor operations eligible?
YES! You can apply to pay your apprentice's stipend (and other W-2 employees) on your operation for two months.

1. Eligible to cover current employees (W-2’s) if you are an existing farm that had employees on W2s during March through June of 2019. Easiest and best bet for most.
2. Eligible for self-employed income (but this is tricky to show for farmers/ranchers). Not much guidance here so you’d have to talk to your lender.
   b. Cash distributions or guaranteed payments during same period.
3. Not eligible to help pay for 1099 independent contractors.
4. Not eligible for H2A workers

How much money can you receive through PPP?
- 2.5x your average monthly payroll including: Wages, salaries, paid leave, health care benefits, state and local taxes but probably not federal taxes.
- Non payroll costs are for specific financial obligations incurred prior to February 15, 2020: Mortgage interest, rent, & utilities

How do you apply?
1. If you are planning on applying, do it as soon as possible. First come, first serve. $349 Billion available, they may make more available but not certain.
2. Talk to your current lender and ask if they are participating in the PPP. If so, work through your current bank.
   a. If not, you’ll need to find a lender who is. SBA has a list of lenders participating in the program and you can sort by zip code.
   b. Once you find a bank (if it isn’t your current one) you’ll need to ask who they are lending to. Some are only lending to existing customers.
3. Ask for their application and supporting documents list. Each lender will be a little bit different.
4. Turn in application

To get the loan forgiven:
- Ask your lender for specifics but…. be sure to document number of FTE employees and pay rates, plus payments to mortgage interest, lease, and utility payments. Remember that FTE does not mean number of employees, it means full time equivalent. If you have two part time employees that would be 1 FTE.