



PROFESSIONAL RODEO COWBOYS ASSOCIATION

101 PRO RODEO DR
COLORADO SPRINGS, CO 80919

COVID-19 Small Business Administration (SBA) Frequently Asked Questions

Below is information regarding how to apply for the Coronavirus Aid, Relief, and Economic Security (CARES) Act loans. We are providing this information to you to get money into your accounts during the Coronavirus outbreak that is no fault of your own. The Federal Government has made these monies available to you and your families. We are working on your behalf to provide assistance opportunities while the rodeo season has been interrupted due to a natural health disaster.

We have been informed that the monies available through these programs is going to be applied for quickly. The application process for the CARES-III Act is supposed to go live Friday, April 3, 2020. The application process will be handled through approved SBA lenders. [To find your local SBA lender, click here.](#)

There are two programs available for monies. If you have questions in which program to apply for, please contact PRCA CFO Kirk LaPoure at 719-528-4734 or via email at klapoure@prorodeo.com.

What are the two programs available?

- **Economic Injury Disaster Loans and Loan Advance.** In response to the COVID-19 pandemic, small business owners in all U.S. States, Washington D.C., and territories are eligible to apply for an Economic Injury Disaster Loan advance of up to \$10,000.
 - [To apply for the Disaster Loan Assistance, click here.](#)
- **The Paycheck Protection Program** prioritizes millions of Americans employed by small businesses by authorizing up to \$349 billion toward job retention and certain other expenses.
 - [The Paycheck Protection Program Information, click here.](#)

Who is eligible?

- In our best determination, the majority of PRCA members are eligible.
 - Membership includes: Rodeo Committees, Contestants, Stock Contractors, and Contract Personnel
- Please work with a Small Business Administration (SBA) approved lender to confirm.
 - [To find a local SBA Lender, click here.](#)
- A small business with fewer than 500 employees
- A 501(c) non-profit with fewer than 500 employees
- An individual who operates as a sole proprietor

- An individual who operates as an independent contractor
- An individual who is self-employed who regularly carries on any trade or business.

How much can I borrow?

- Loans can be up to 2.5 times the borrower's average monthly payroll costs, not to exceed \$10 million.
- For Sole Proprietors, Independent Contractors, and Self-Employed Individuals: The sum of payments of any compensation to or income of a sole proprietor or independent contractor that is a wage, commission, income, net earnings from self-employment, or similar compensation and that is in an amount that is not more than \$100,000 in one year, as pro-rated for the covered period.
- You can still apply if you earned more than \$100,000 in 12 months, and it is recommended to work with your lender. Your loan will be pro-rated to be no more than \$100,000 per year.

What will lenders be looking for?

- Lenders are directed to consider whether the borrower was in operation before February 15, 2020 and had employees for whom they paid salaries and payroll taxes or paid independent contractors.
- If you are an independent contractor, sole proprietor, or self-employed individual, lenders will also be looking for certain documents such as payroll tax filings, Forms 1099-MISC, and income and expenses from the sole proprietorship.
- The uncertainty of current economic conditions makes the loan request necessary to support ongoing operations
- The borrower will use the loan proceeds to retain workers and maintain payroll or make mortgage, lease, and utility payments

Will this loan be forgiven?

- Borrowers are eligible to have their loans forgiven.
- A borrower is eligible for loan forgiveness equal to the amount the borrower spent on the following items during the 8-week period beginning on the date of the origination of the loan:
 - Payroll costs
 - Interest on the mortgage obligation incurred in the ordinary course of business
 - Rent on leasing agreement
 - Payments on utilities (electricity, gas, water, transportation, telephone, or internet)
- The loan forgiveness cannot exceed the amount of the approved loan principal.

What information will the lender need for the loan application?

- IRS Tax filings for 2018 and 2019
- IRS Payroll Tax Filings Form 941
- Any payroll registers for the last 12 months (January 1, 2019-December 31, 2019) and all 2020 payrolls.
- Utility, phone, and internet payments for business
- Mortgage interest payments
- Financial statements if available

How will SBA handle business affiliations?

- If you own multiple businesses, you will need to include/list affiliate businesses as an Addendum in the SBA Paycheck Protection Plan.
- [Click here for Overview of an Affiliation from the SBA.](#)
- For more information on this unique situation, please contact Kirk LaPoure, PRCA CFO, at 719-528-4734 or klapoure@prorodeo.com