

**Respuestas a Preguntas sobre el PPP por Carlos Hernandez del SBA**  
**Dialogo # 6 de la Serie**  
**“Levantando Su Empresa Durante la Época del Coronavirus”**  
**Junio 4, 2020**

1. **Utilities:** the term “covered utility payment” means payment for a service for the distribution of electricity, gas, water, transportation, telephone, internet access for which the service began before February 15<sup>th</sup> 2020

**2. EIDL Advance and Forgiveness Process**

Borrower completes form 3508, or Lender equivalent, and submits it to their lender.

The lender reviews the application and documentation and submits a decision to the SBA within 60 days of receipt of a complete application requesting payment for the forgiveness amount of the loan

SBA will remit the forgiveness amount to the lender within 90 days

**If the borrower received an EIDL advance amount, SBA will deduct this from the total forgiveness amount.**

**3. Rehiring of Employees and Decline of Offer**

Document good faith offer to rehire and employee declines

Must be written offer during the covered period at the same salary and hours as their last regular pay period

Maintain record documenting offer and its rejection

Notify state unemployment office within 30 days of the employee rejection

EIDL Disaster Loans

- Basically, the loan is for working capital that would include all business expenses, **except purchase of fixed assets and refinancing of long term debt.** Working capital also includes the living expenses of the principals as their salaries.

FAQs on EIDL and Credit Cards

- Pay the monthly minimum due with EIDL proceeds? **Yes, as long as these are business expenses**

- Pay more than the minimum due with EIDL proceeds? Yes
- Pay off the balance of the business credit card with the EIDL proceeds? As long as the outstanding balance DID NOT include funds used to purchase fixed assets (not supplies)
- If they used a credit card during the pandemic could they pay off those new charges with the EIDL loan? Yes, if the new charges were for operating expenses.

Carlos Hernandez  
Lender Relations Specialist  
Massachusetts District Office  
**U.S. Small Business Administration**  
Office: (617) 565-5565  
Cell: (202) 853-0972  
[carlos.hernandez@sba.gov](mailto:carlos.hernandez@sba.gov)