

## As a child care provider, there are resources to aide you and your business during the COVID-19 pandemic.

Access to child care is a powerful driver of Hawai'i's economy. It sustains working families economic security, is a significant source of employment, and cultivates our future workforce by developing our future leaders. Child care is especially critical during the COVID-19 pandemic as it provides child care for essential workers and will be critical for Hawai'i's economic recovery when individuals must return to work and it's important that child care providers access financial support in order to sustain during and beyond this pandemic.

The Coronavirus Aid, Relief, and Economic Security (CARES) Act provides relief for small businesses, including center-and-home-based child care providers, who may need assistance covering payroll and operating expenses because of the COVID-19 pandemic.

These include:

- ★ The Paycheck Protection Program
- ★ Economic Injury Disaster Loan and Emergency Grant
- ★ Tax Deferral/Tax Credit

There are also financial resources available for individuals, such as Sole Proprietors of family child care businesses or employees of child care facilities, that can help support economic security during this time such as:

- ★ Unemployment Insurance
- ★ Supplemental Income Resources

As a child care provider, these options may be available to aide you and your business. Sources of information are provided as links throughout the document should you have further questions.

This content is for informational purposes only and is not intended to serve as legal, tax, investment, financial, or other advice or consultation.

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# Financial assistance available for small businesses like child care providers.

The Paycheck Protection Program (PPP) provides small businesses with zero-fee loans to cover payroll and other operating expenses. Loans are available through June 30, 2020.

Up to 8 weeks of payroll, mortgage interest, rent, and utility costs can be forgiven. To have the full 8-weeks of allowable costs forgiven, you should apply as soon as possible before May 5, 2020, so that all of your forgivable costs are incurred before the end of the program.

Fill out your application today! Check out the information below with bank-specific information. If your bank isn't listed, give them a call to inquire if they have Paycheck Protection Program loans available.

## NECESSARY DOCUMENTS TO SUBMIT:

- Completed Application
- SBA Form 1919
- Articles of Incorporation/  
Organization of each borrowing entity
- By Laws/Operating Agreement of each borrowing entity
- All owners Driver's Licenses
- Payroll Expense verification documents  
to include: IRS Form 940 and 941
- Payroll Summary Report  
with corresponding bank statement
  - If a Payroll Summary Report is not available, Employee Pay Stubs as of February 15, 2020 (or corresponding period) with corresponding bank statement, and, breakdown of payroll benefits (vacation, allowance for dismissal, group healthcare benefits, retirement benefits, etc.)
- 1099s (if Independent Contractor)
- Certification that all employees live  
within the United States.
  - If any do not, provide a detailed list with corresponding salaries of all employees outside the United States
- Trailing twelve-month profit and loss statement  
(as of the date of application) for all applicants
- Most recent Mortgage Statement or Rent Statement  
(Lease)
- Most recent Utility Bills  
(Electric, Gas, Telephone, Internet, Water)

## PAYCHECK PROTECTION PROGRAM (PPP)

### PAYCHECK PROTECTION PROGRAM

Providing small businesses with zero-fee loans

### SCOPE OF LOANS AVAILABLE

Up to \$10 Million

### LOAN PURPOSE

To cover payroll and other operating expenses

### ALLOWABLE COSTS FORGIVEN

Up to 8 weeks of payroll, mortgage interest, rent, and utility costs

### IMPORTANT DATES

#### April 3, 2020

Application start date if you are a small business or sole proprietor

#### April 10, 2020

Application start date if you are an independent contractor

#### May 5, 2020

Apply before this date to have all your forgivable costs (8-weeks) incurred before end of program

#### June 30, 2020

End of loan program

Bank	Instructions	Contact
A AMERICAN SAVINGS BANK	<ul style="list-style-type: none"> <li>(1) <a href="#">Fill out the application</a></li> <li>(2) Must fill out the ASB CARES payroll worksheet (download on the instructions worksheet)</li> <li>(3) Email completed application, completed worksheet, and 2019 tax documents (IRS Form 941 for regular employers or 1099 for contractors) to <a href="mailto:ASBcares@asbhawaii.com">ASBcares@asbhawaii.com</a> (all documents are required to process your application)</li> </ul>	Instructions: <a href="https://www.asbhawaii.com/business/sba-ppp">https://www.asbhawaii.com/business/sba-ppp</a>
B BANK OF HAWAII	<ul style="list-style-type: none"> <li>(1) Fill out the Federal PPP application</li> <li>(2) Compile all necessary documents (listed in the instructions)</li> <li>(3) Fill out <a href="#">BOH's Inquiry Form</a></li> <li>(4) After filling out the inquiry form, you will receive an invitation to complete the online application and upload documents</li> </ul>	Instructions: <a href="https://www.boh.com/covid-19-main-page/small-business-assistance">https://www.boh.com/covid-19-main-page/small-business-assistance</a>
C CENTRAL PACIFIC BANK	<ul style="list-style-type: none"> <li>(1) Fill out the Federal Application</li> <li>(2) Fill out <a href="#">CPB's form</a></li> <li>(3) Upload additional documents</li> </ul>	Instructions: <a href="https://www.cpb.bank/ppp">https://www.cpb.bank/ppp</a> For help filling out loans, call 808-544-6865
F FIRST HAWAIIAN BANK	<ul style="list-style-type: none"> <li>(1) Fill out the Federal PPP Application</li> <li>(2) Complete the <a href="#">online form</a></li> <li>(3) Prepare additional documents</li> </ul>	Instructions: <a href="https://sba.fhb.com/">https://sba.fhb.com/</a>
FIRST FOUNDATION BANK	To be determined.	Call 1-888-405-4332
H HAWAII NATIONAL BANK	To be determined.	Call 808-528-7711
HAWAII STATE FEDERAL CREDIT UNION	Working to create a business page on website to give more information soon.	
K KAUAI COMMUNITY FEDERAL CREDIT UNION	Will be participating in it but haven't received documents yet and hopefully by April 3.	Call loan department 808-246-1277
O OHANA PACIFIC BANK	Will be participating, but waiting for instructions.	Call 808-237-6551

# ELIGIBILITY EXPANDED: Economic Injury Disaster Loans (EIDL) and Emergency Advance

The Coronavirus Aid, Relief, and Economic Security (CARES) Act temporarily expands eligibility for Small Business Administration (SBA) economic injury disaster loans (EIDL) and provides an emergency advance of up to \$10,000 to small businesses and private non-profits harmed by COVID-19.

## ECONOMIC INJURY DISASTER LOANS

EIDLs are loans up to \$2 million with interest rates of 3.75% for businesses and 2.75% for nonprofits, and principal and interest payments deferred up to 4 years. The loans may be used to pay for expenses that could have been met had the disaster not happened, including payroll and other operating expenses.

## EMERGENCY ADVANCE

The advance may be used to keep employees on payroll, pay for sick leave, meet increased production costs, pay business obligations including debts, rent, and mortgage.

To access the advance, you first apply for an EIDL and then request the advance. The advance does not need to be repaid under any circumstance.

## ELIGIBILITY

In addition to the entities that are already eligible for SBA disaster loans (small businesses, private non-profits, and small agriculture cooperatives), eligibility is temporarily expanded to include:

- Business entities with 500 or fewer employees
- Sole proprietorships, with or without employees
- Private non-profits of any size
- Independent contractors
- Cooperatives and employee owned businesses
- Tribal small businesses

You must have been in business as of January 31, 2020. Expanded eligibility criteria and the emergency grants are only available between January 31, 2020 and December 31, 2020.

## HOW TO APPLY

1. Apply online with the SBA: <https://covid19relief.sba.gov/#/>
2. For the advance, request an emergency grant of up to \$10,000 (because of high demand, the SBA is scaling the advance and will provide \$1,000 per employee for up to ten employees, totaling no more than \$10,000. For example, an applicant with two employees would get \$2,000 and an applicant with more than ten employees would only get \$10,000).

If you apply for an EIDL and the grant, you can still apply for a Paycheck Protection loan. However the amount forgiven under a Paycheck Protection loan will be decreased by the \$10,000 grant.

## EIDL EMERGENCY ADVANCE

### FOR GUIDANCE:

Contact the Small Business Administration (SBA) or your local Hawai'i Small Business Development Center (HISBDC).

### SBA

Call (808) 541-2990

Email [hawaiigeneral@sba.gov](mailto:hawaiigeneral@sba.gov)

### LOCAL HISBDC

Email [info@hisbdc.org](mailto:info@hisbdc.org)

### O'AHU

Call (808) 945-1430

### HAWAII ISLAND

#### EAST HAWAII:

Call (808) 933-0776

#### WEST HAWAII:

Call (808) 333-5000

### MAUI

Call (808) 875-5990

### KAUA'I

Call (808) 241-3148

The SBA has other loan options for small businesses impacted by COVID-19.

Visit <https://www.sba.gov/>

## Federal Payroll Tax Deferral

The CARES Act allows employers to defer the payment of payroll taxes incurred between March 27, 2020 and December 31, 2020. If your operations are suspended in full or in part due to COVID-19 or your gross receipts decline by more than 50% compared to the same quarter in the prior year, you are eligible for a federal payroll tax/credit deferral.

### ELIGIBILITY:

All employers are eligible other than those who have: had loans forgiven under the CARES Act for certain loans provided by the Small Business Administration; or who have not had debt forgiven under the Payroll Protection Program.

### DEADLINES:

- Employers may defer payroll taxes through the end of 2020;
- The first 50 percent of the deferred amount must be paid before December 31, 2021;
- The second 50 percent of the deferred amount must be paid for before December 31, 2022.

## TAX DEFERRAL

### MORE INFORMATION:

<https://www.irs.gov/coronavirus>

## Employee Retention Tax Credit

A refundable payroll tax credit is available for large and small businesses that retain their employees during the COVID-19 crisis.

### ELIGIBILITY:

Employers are eligible if they have been fully or partially suspended as a result of a government order, or if they experience a 50 percent reduction in quarterly receipts as a result of the crisis.

This tax credit is not available if the employer takes an SBA paycheck protection loan.

### AMOUNT OF TAX CREDIT:

- For employers with 100 or fewer full-time employees, they may claim a credit for wages paid to all of their employees, up to \$10,000 a person.
- For employers with more than 100 employees, they may claim a credit for those employees who are furloughed or face reduced hours as a result of the employer's closure or economic hardship.

### APPLYING THE TAX CREDIT

The credit can be claimed against the business or non-profit's quarterly payroll tax liability and is fully refundable to the extent of excess. The Department of the Treasury is authorized to make advance payments of the tax credit, and to waive penalties for employers who do not deposit applicable payroll taxes in anticipation of receiving the credit.

## TAX CREDIT

### FOR MORE INFORMATION:

<https://www.irs.gov/coronavirus-tax-relief-and-economic-impact-payments>

# Unemployment Insurance (UI): Benefits and Eligibility Expanded

The Coronavirus Aid, Relief, and Economic Security (CARES) Act provides supplemental unemployment insurance funding to expand individuals' eligibility, increases the benefit amounts, and lengthens the duration of benefit availability.

## **ELIGIBILITY:**

In addition to standard UI eligibility, under the CARES Act, you are also eligible if:

1. You are self-employed (including independent contractors, freelancers or gig-economy workers);
2. You are a part-time worker;
3. Your work hours have been cut or reduced to zero but you are still employed; or
4. You have a limited work history that would typically disqualify you from UI.

## **BENEFITS INCLUDE:**

- In addition to standard UI base amount benefits, the CARES Act provides an additional \$600 per week for beneficiaries through July 31, 2020.
- If you are newly eligible for UI due to the CARES Act, you may still be able to qualify for back payment of UI benefits starting on or after January 27, 2020 if your job loss was due to

## UNEMPLOYMENT INSURANCE (UI)

### **TO FILE A CLAIM:**

<http://labor.hawaii.gov/ui/>

### **CALL YOUR LOCAL UI OFFICE:**

<http://labor.hawaii.gov/ui/contact/>

## Supplemental Nutrition Assistance Program (SNAP)

The SNAP program provides crucial food and nutritional support to eligible households. This program aides family through funds that can be used to purchase food, and supplement their overall income.

### TO APPLY:

1. Fill out this application: [https://humanservices.hawaii.gov/bessd/files/2020/03/SNAP\\_Application\\_2019-form-fillable-3-23-20-final.pdf](https://humanservices.hawaii.gov/bessd/files/2020/03/SNAP_Application_2019-form-fillable-3-23-20-final.pdf)
2. Once it's filled out and all necessary documents compiled, you can submit the claim via:
  - A. Email at: [bessd.statewidebranch@dhs.hawaii.gov](mailto:bessd.statewidebranch@dhs.hawaii.gov)
  - B. Mail to a processing center <https://humanservices.hawaii.gov/wp-content/uploads/2018/04/Statewide-Processing-Centers-04-2018.pdf>
  - C. Or drop off at a drop box (call the processing center to find out if a drop box is available)

## SNAP

**STATEWIDE PROCESSING CENTERS:**  
<https://humanservices.hawaii.gov/wp-content/uploads/2018/04/Statewide-Processing-Centers-04-2018.pdf>

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## Special Supplemental Nutrition Program for Women, Infants and Children (WIC)

### ELIGIBILITY:

The Special Supplemental Nutrition Program for Women, Infants and Children (WIC) provides Hawai'i residents with nourishing supplemental foods, nutrition education, breastfeeding promotion and health and social service referrals.

Participants of WIC are either pregnant, breastfeeding, or postpartum women, and infants and children under age five who meet income guidelines and have a medical or nutritional risk.

## WIC

**TO APPLY:**  
[https://health.hawaii.gov/wic/program\\_details/#whatis](https://health.hawaii.gov/wic/program_details/#whatis)