



## GCIA Organic E-News

*April 2020*

### **Paycheck Protection Program**

The following information was provided by the National Association of State Departments of Agriculture (NASDA). Questions regarding this program should be directed to NASDA, the Georgia Department of Agriculture, and/or your local SBA Field Office.

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*Friday, April 3, 2020:* Last night, the Department of Treasury (Treasury) and Small Business Administration (SBA) released an [interim final rule on the Paycheck Protection Program \(PPP\)](#).

**Agricultural producers are eligible to participate in the program and should reach out to their bankers and/or agricultural lenders to apply immediately.** While SBA still needs to confirm some administrative details, **loans will be provided on a first-come, first-served basis** and producers can get started on the application now.

- [For a top-line overview of the PPP program CLICK HERE](#)
- [Information for prospective borrowers can be found HERE](#)
- [The application for borrowers can be found HERE](#)

Below please find additional details about the PPP program. NASDA will provide additional updates once outstanding questions are answered by SBA.

#### 1. Program Eligibility

- a. All businesses (including farm and ranch businesses) are eligible for a PPP loan if they (1) have fewer than 500 employees; (2) meet the definition of a “small business concern”; and (3) are subject to SBA’s affiliation rules (unless those rules were specifically waived in the CARES Act).
  - i. Waiting on SBA to clarify the definition of “small business concern” – do not anticipate any undue restrictions.
  - ii. Waiting on SBA to confirm whether H2A workers are counted as “employees” for the purposes of determining size.
- b. Financial institutions, including the Farm Credit system, will be responsible for processing loan applications and administering the loan.

## 2. Loan Terms

- a. Loan amounts are calculated based on the payroll costs for all employees whose “principal place of residence” is in the U.S. Please note that this definition excludes H-2A workers, which will likely reduce the loan amount available to some agricultural producers.
  - b. This loan has a maturity of 2 years and an interest rate of 1%. Loan payments will be deferred for the first six months.
  - c. The loan will be fully forgiven if at least 75% of the funds are used for payroll costs, and the remainder is used for interest on mortgages, rent, and utilities.
    - i. Forgiveness is based on the employer maintaining or quickly rehiring employees and maintaining salary levels. Forgiveness will be reduced if full-time headcount declines, or if salaries and wages decrease.
3. The best POC for questions on the Paycheck Protection Program is the Lender Relations Specialist in your local SBA Field Office. The local SBA Field Office may be found at <https://www.sba.gov/tools/local-assistance/districtoffices>.

To view a list of PPP Frequently Asked Questions, click [HERE](#).

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### ***Scheduling of Organic Inspections***

As an agricultural business, GCIA qualifies as an [Essential Critical Infrastructure](#) business (food & agriculture) under the US Department of Homeland Security guidelines. As such, we are continuing to operate as best we can. Regarding organic certification, we are continuing to schedule and conduct onsite inspections as normal. However, we understand that some of our clients may have policies or directives in place which do not allow for outside visitors, etc. We will address such circumstances as they arise and will do our best to cooperate with our clients accordingly. Should you have questions or concerns, please contact the GCIA office or your inspector.

### ***Organic E-News***

To view past editions of Organic E-News, you will find them archived [HERE](#). If you have suggestions or comments regarding E-News, please let us know. Should you have any questions or need further information, please contact our organic staff at the office (706-542-2351) or via email:

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Please be sure to visit the [GCIA Organic Program website](#) for additional resources.

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