**Paycheck Protection Program
updated guidance for fishermen
June 26, 2020**

**Now is the last chance for boat owners to get two months of payroll for themselves and their crew!**

The U.S. Treasury Department just [released new guidance](https://www.sba.gov/sites/default/files/2020-06/PPP%20--%20IFR%20--%20Fishermen%20%286.25.2020%20406pm%29.pdf) for the Paycheck Protection Program (PPP) specifically for fishing businesses. This has the potential to really help fishermen struggling with the devastating consequences of the pandemic, but the deadline is just days away! **All PPP applications must be submitted to the Small Business Association (SBA) by your lender by Tuesday, June 30**. If you are interested, apply NOW with an [approved SBA lender](https://www.sba.gov/paycheckprotection/find)!

**The new guidance allows boat owners to include 1099 crew as employees for calculating payroll costs:**

* New Applicants: Include in the payroll calculation the amount you pay your crew, per box 5 of 1099-MISC.
* If your 1099 crew already received their own PPP loan, you cannot include them in your PPP loan.
* Boat owners can [amend their loan and increase the amount of the loan](https://www.federalregister.gov/documents/2020/05/19/2020-10658/business-loan-program-temporary-changes-paycheck-protection-program-loan-increases) to include your crew, only if the lender has not yet reported your loan to SBA on Form 1502. The first step is to talk to your lender to confirm if this is possible.

**New legislation has also provided more flexibility, making it easier to be eligible for full loan forgiveness:**

* Extend the spending period from 8 to 25 weeks, providing flexibility to borrowers to qualify for loan forgiveness. Borrowers who have already received PPP loans retain the option to use the original 8-week period.
* Reduces the amount that has to be spent on payroll costs from 75% to 60% to qualify for full forgiveness.
* Increase loan term to 5 years
* Additional safe harbor provisions and allowances for partial forgiveness.

**SBA now has an** [**EZ version of the forgiveness application**](https://content.sba.gov/sites/default/files/2020-06/PPP%20Forgiveness%20Application%203508EZ%20%28%20Revised%2006.16.2020%29.pdf) **that applies to borrowers that:**

* Are self-employed and have no employees; or
* Did not reduce the salaries or wages of their employees by more than 25%, and did not reduce the number or house of their employees, or
* Experienced reductions in business activity as a result of health directives related to COVID-19, and did not reduce the salaries or wages of their employees by 25%.
* The EZ application requires fewer calculations and less documentation. Details are available in the instructions to the [new EZ application form (page 3).](https://content.sba.gov/sites/default/files/2020-06/PPP%20Forgiveness%20Application%203508EZ%20%28%20Revised%2006.16.2020%29.pdf)

**FCC member groups are offering the following COVID-19 related resources:**

* Alaska Longline Fishermen’s Association: [COVID-19 Fishermen Resources and Assistance](http://www.alfafish.org/alfacovid19)
* Alaska Marine Conservation Council: [COVID-19 Resources for Fishermen](https://www.akyoungfishermen.org/covid-19-fishermens-resources)
* Cape Cod Commercial Fishermen’s Alliance: [COVID-19 Fishermen Resources and Information](https://capecodfishermen.org/item/covid19)
* Gulf of Mexico Reef Fish Shareholders’ Alliance: [Information Regarding COVID-19 Response and Assistance](https://shareholdersalliance.org/covid-19-response)
* Maine Coast Fishermen’s Association: [COVID-19 Pandemic Resources](https://www.mainecoastfishermen.org/covidresources?utm_campaign=69298a50be-EMAIL_CAMPAIGN_2020_03_29_07_36&utm_medium=email&utm_source=Weekly%2BNewsletter&utm_term=0_c846a09eb1-69298a50be-299596245)

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