What Employers Need to Know When Seeking Loans Through the Coronavirus Aid, Relief and Economic Security Act

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The Coronavirus Aid, Relief and Economic Security (CARES) Act makes staying afloat a bit easier for companies by offering up billions of dollars in federal loans. Despite making loans more accessible, a recent *Law360* article reminds readers that many employers may not want to take advantage of the loans for a variety of reasons. In an interview for this article, **Ed Harold**, explains that there are some employers who just “can’t afford to take more loans” because it’s going to put them deeper in debt. But he also points out that the loans through the CARES Act “are attractive because they’re forgivable.” For example, and as Ed explains in the article, “[t]he Paycheck Protection Program allows employers to take out loans equal to two-and-a-half times their average monthly payroll, and [w]hatever portion employers use to pay workers, make mortgage payments or cover certain other operational expenses over the loan’s first eight weeks is forgiven.”

To read the article, visit *Law360* (subscription required).

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