

Some details from the COVID-19 Relief Bill passed on December 27, 2020:

Provided by Jon Bittner, Executive Director of Alaska Small Business Development Center State Office.

The PPP Program

- \$284 billion was allocated to the program and it is extended through March 31, 2021
- For business seeking a second PPP:
 - Must have fewer than 300 employees
 - Must demonstrate a loss of 25% of gross receipts in any quarter in 2020 compared to same quarter 2019
 - Must have fully spent their first PPP loan
- Any business in the 72 NAICS code category (Accommodation & Food service) is eligible for 3.5x their annual monthly payroll vs the 2.5x for all other businesses
- 501(c)3 nonprofits are now eligible
- \$25 billion was set aside for employers with less than 10 employees or for loans less than \$250,000 for entities located in low income neighborhoods who are seeking a second PPP.
- \$15 billion is set aside for first time PPP seekers for loans under \$250,000 in low income neighborhoods.
- \$35 billion is set aside for any first time PPP borrowers.
- Adds PPE expenses, costs associated with outdoor dining, and supplier costs as eligible and forgivable expenses
- Repeals the requirement of deducting an EIDL Advance from the PPP forgiveness amount.
- PPP and other relief funds are no longer taxable as income and deductions are allowed for otherwise deductible expenses paid with the proceeds of the assistance received

EIDL Advance

- \$20 billion for EIDL Advances
- Small businesses & nonprofits in low-income communities are eligible to receive \$10,000 grants
- Any small business and nonprofit in low-income communities that received EIDL Advance previously can apply for additional funding up to \$10,000 including the amount previously received
- EIDL Advance will not be deducted from your PPP forgiveness

Shuttered Venue Operators

- \$10 billion allocated for grants to live venues, independent movie theaters and cultural institutions
- Can be used for payroll, rent, utilities, PPE

SBA Debt Relief

- \$3.5 billion to resume debt relief payments for principal and interest (P&I) on 7a, 504 and microloan programs
- All borrowers with qualifying loans approved by SBA prior to CARES Act will receive 3 additional months of P&I starting February
- After first three months the borrowers who are smallest and hardest hit will receive an additional five months of P&I capped at \$9,000 per borrower per month
- SBA will also resume P&I payments for first six months for new loans approved between Feb 1, 2021 - Sept 30, 2021

Agriculture

- \$13 billion set aside for direct payments to farmers who have suffered losses due to coronavirus

Fisheries

- \$300 million set aside for assistance to fisheries in coastal and Great Lakes states
- \$30 million set aside for Tribal fisheries of federally recognized Tribes and Alaska Native groups

Child Care

- \$10 billion in emergency funds for childcare providers through Child Care and Development Block Grant (CCDGB) program
- Funds can be used for personnel, sanitization and cleaning, PPE, fixed costs, rent, utilities, other costs.