



March 30, 2021

## Update from Ranking Member Blaine Luetkemeyer: New COVID-19 Relief Resources for Small Business Constituents

### Paycheck Protection Program

**NEW:** Small businesses in your district can apply for a PPP loan through May 31, 2021

- The [Paycheck Protection Program](#) (PPP) continues to provide small businesses with the resources they need to maintain their payroll, hire employees who may have been laid off, and cover applicable overhead
- Public Law No. 117-2, the American Rescue Plan Act of 2021, provided \$7.25 billion in additional funding for the PPP
- **On March 30, 2021, the bipartisan [Paycheck Protection Program Extension Act of 2021](#) was signed into law by President Biden and extends the previous March 31, 2021 deadline by two months and provides an additional 30 days for the U.S. Small Business Administration (SBA) to process loans submitted prior to the new May 31, 2021 deadline.**
  - *"As jobless claims fall to their lowest since the beginning of the pandemic and unemployment claims dip substantially, it is clear that all states must safely reopen their economies," said Ranking Member Luetkemeyer. "The PPP Extension Act provides small businesses who need it most with targeted assistance in order to open their doors and give their employees a paycheck once again."*
  - Read more [here](#)
- As of Monday, March 29, 2021, there are approximately 50,000 PPP loans experiencing error code issues
- As of Sunday, March 28, 2021, there is approximately \$72 billion remaining in PPP funding
  - PPP data can be found [here](#)
- Frequently Asked Questions for lenders and borrowers can be found [here](#)
- More information on PPP can be found on the Department of the Treasury's Assistance for Small Business page [here](#)
  - [First Draw PPP Loans](#): If you have not received a PPP loan before, First Draw PPP Loans may be available to you
  - [Second Draw PPP Loans](#): If you have previously received a PPP loan, certain businesses may be eligible for a Second Draw PPP Loan
  - [PPP Loan Forgiveness](#): Borrowers may be eligible for loan forgiveness

## **COVID-19 Economic Injury Disaster Loans (EIDL)**

**NEW:** On March 24, 2021, the SBA [announced](#) they are increasing the maximum amount small businesses and non-profit organizations can borrow through the EIDL program

- Starting the week of April 6, 2021, the SBA is raising the loan limit for the COVID-19 EIDL program from 6 months of economic injury with a maximum loan amount of \$150,000 to up to 24 months of economic injury with a maximum loan amount of \$500,000

**NEW:** On March 19, 2021, Ranking Member Luetkemeyer sent a [letter](#) to Administrator Isabel Guzman urging the Small Business Administration (SBA) to increase oversight on the Economic Injury Disaster Loan (EIDL) and its corresponding grant programs

- *"Numerous reports from the SBA's Office of Inspector General (OIG) and the U.S. Government Accountability Office (GAO) have warned of significant fraud concerns within the EIDL program and its corresponding grant offerings. Unfortunately, forthcoming reports that are due to be published in the coming weeks will continue to shed light on the fact that the EIDL programs remain a target for fraudulent activity. This is unacceptable...The SBA has an enormous responsibility to deliver funding to small businesses struggling through this pandemic. However, oversight and anti-fraud measures must not be shortchanged. Hard-earned American taxpayer dollars must be safeguarded within these programs." - Ranking Member Luetkemeyer*
- [EIDL](#) provides economic relief to small businesses and nonprofit organizations that are currently experiencing a temporary loss of revenue
- The SBA is currently accepting new Economic Injury Disaster Loan (EIDL) applications from qualified small businesses, including agricultural businesses, and private nonprofit organizations through December 31, 2021
- On March 21, 2021, the SBA [announced](#) an extension of the deferment periods for all disaster loans, including the COVID-19 Economic Injury Disaster Loan (EIDL) program, until 2022
  - All SBA disaster loans made in calendar year **2020**, including EIDL, will have a first payment due date extended from **12-months to 24-months** from the date of the note
  - All SBA disaster loans made in calendar year **2021**, including EIDL, will have a first payment due date extended from **12-months to 18-months** from the date of the note

## **Targeted EIDL Advance**

- The EIDL Advance Grant changes in the December COVID bill are meant to capture the following small businesses and allow certain entities to come back for another round:
  - Small businesses that received an EIDL Advance Grant less than the \$10,000 can reapply and may receive the difference between what they received and \$10,000
    - **Employee size no longer determines the size of the EIDL grant**
  - Small businesses that applied after funds were exhausted in the summer
- **A small business must also meet the following criteria:**
  - 300 or fewer employees
  - Demonstrate a 30 percent economic loss
  - Situated in a LMI (low to moderate income) area
    - [Mapping tool](#)
- Public Law No. 117-2, the American Rescue Plan Act of 2021, provided \$15 billion in additional funding for Targeted EIDL advance payments, including \$5 billion for Supplemental Targeted EIDL Advance payments for those hardest hit
- Frequently Asked Questions about Targeted EIDL Advance can be found [here](#)
- The SBA is conducting outreach to applicants who qualify

## **Shuttered Venue Operators Grant (SVOG)**

**NEW:** The SBA [announced](#) they will begin accepting SVOG Applications on April 8, 2021

- The [Shuttered Venue Operators \(SVO\) Grant program](#) includes over \$16 billion in grants to shuttered venues to be administered by the SBA's Office of Disaster Assistance
- Eligible applicants may qualify for SVO Grants equal to 45 percent of their gross earned revenue
  - The maximum amount available for a single grant award is \$10 million
  - \$2 billion is reserved for eligible applications with up to 50 full-time employees
- Businesses may apply for both a PPP loan after December 27, 2020 and the SVOG
- Frequently Asked Questions about the Shuttered Venue Operators Grant program can be found [here](#)

## **Restaurant Revitalization Fund**

- Public Law No. 117-2, the American Rescue Plan Act of 2021, provided \$28.6 billion for the Restaurant Revitalization Fund for industry-focused grants
- This program has not yet been launched, but the SBA testified during a Senate Small Business Committee hearing that the agency planned to begin a "phased launch" in April

## **SBA Debt Relief**

- The SBA is providing [debt relief](#) to certain existing and new SBA loan borrowers during the COVID-19 pandemic