

March Advocacy Update

3/25/21

Today, the U.S. Senate passed the *PPP Extension Act of 2021* by a vote of 92-7. The bill was introduced by Senate Small Business Committee Chair Ben Cardin (D-Md.) and Senators Susan Collins (R-Maine) and Jeanne Shaheen (D-N.H.).

This will extend the deadline for PPP applications for another two months to **May 31, 2021**, and then **provide an additional 30-day period for the SBA to process applications that are still pending**. The House of Representatives passed the bill on March 16 by a vote of 415-3. **The bill now heads to President Biden's desk to be signed into law.**

The bill is co-sponsored by Senators Roger Marshall (R-Kan.), Dan Sullivan (R-Alaska), Jacky Rosen (D-Nev.), Lisa Murkowski (R-Alaska), Patrick Leahy (D-Vt.), Ron Wyden (D-Ore.), Thom Tillis (R-N.C.), Jon Ossoff (D-Ga.), Shelley Moore Capito (R-W.V.), Jeff Merkley (D-Ore.), Martin Heinrich (D-N.M.), Rob Portman (R-Ohio), Amy Klobuchar (D-Minn.), and Joe Manchin (D-W.V.).

Representatives Nydia M. Velázquez (D-N.Y.), Blaine Luetkemeyer (R-Mo.), Carolyn Bourdeaux (D-Ga.), and Young Kim (D-Calif.) introduced the bill in the House. The bill was [endorsed by nearly 100 organizations](#), including the NAWBO!

3/24/2021

PPP Extension:

The Senate voted to invoke cloture on the PPP Extension (96-4), so hopefully, they can get it done before they head out for recess next week.

COVID Economic Injury Disaster Loan (EIDL) Program Changes:

During today's Senate Small Business and Entrepreneurship Committee hearing, the SBA made some important announcements.

- Today, the SBA announced that they would be lifting the cap from \$150,000 to \$500,000 for COVID Economic Injury Disaster Loan (EIDL) loans. It will start on April 6th.
- The SBA also said they hope to lift it back to \$2 M sometime in April.
- The calculation will be based on up to 24 months of working capital vs. the previous six months.
- If you have already received a COVID EIDL loan, the SBA will be emailing you in the coming days to provide more details on how you can request an increase in your loan size.

Earlier this month, the SBA announced that now, businesses have 24 months from the loan date to start repaying **ANY** disaster loans made in 2020. For loans made in 2021, payments would begin 18 months after the loan is made.

Restaurant Grant Program:

During today's hearing, they didn't give a firm date on the restaurant program's start, but it sounds like they are about a month away from being up and running.

On The Hill This Week

The House is busy this week preparing to bring [reconciliation legislation](#) to the House floor. As I said a few weeks back, highlights of the Small Business portion include:

- An additional \$7.25 billion for PPP
- An additional \$15 billion for Targeted Economic Injury Disaster Loan (EIDL) Advance Program
- An additional \$25 billion for a new Restaurant Revitalization Fund
 - \$5 billion set aside for business with less than \$50,000 in 2019 annual revenue
 - Grants are available up to o\$10 million per entity, with a limitation of \$5 million per physical location (limited to 20 locations)
 - Grants will be calculated by subtracting 2020 revenue from 2019 revenue
 - Women, veterans, or socially and economically disadvantaged individuals will receive priority
 - Grants can be used for payroll, mortgage, rent, utilities, supplies, food and beverage expenses, paid sick leave, and operational expenses.
- Establishes the Community Navigator Pilot program
 - This program would increase awareness of and participation in COVID-19 relief programs for business owners lacking access, i.e. women.

Information on the Paid Leave Tax Credits includes:

- Extends the tax credits from March 31 to September 30
- Increases the total amount of wages an employer can claim the credit in a year from \$10,000 to \$12,000 per employee
- Expands the purposes allowed for longer-term paid family leave to match all of the purposes for shorter-term paid sick leave (personal health and family caregiving, in addition to caring for a child whose school or place of care has closed)
- Allows credits for an employee who is receiving a vaccination or recovering from its side effects
- Prevents employers from claiming the credit if they make leave available in a manner that discriminates in favor of highly compensated employees, full time employees, or based on employment tenure with the employer
- Resets the clock on March 31, 2021 so that anyone who took leave in the past year can take leave again

ADMINISTRATION UPDATES

[FACT SHEET: Biden-Harris Administration Increases Lending to Small Businesses in Need, Announces Changes to PPP to Further Promote Equitable Access to Relief](#)

The new changes:

- Create a priority window to allow only businesses with fewer than 20 employees to apply for loans beginning on Wednesday. This prioritized period will last 14 days.
- Revise the PPP loan calculation formula for sole-props, independent contractors and self-employed applicants to ensure they receive more relief and establish a \$1 billion set aside for businesses in this category without employees located in LMI areas.
- Expand PPP eligibility to small business owners with non-fraud felony convictions.
- Allow firm-owners who are delinquent on their federal student loans to receive a PPP loan.
- Expand PPP eligibility to non-citizen small business owners who are lawful U.S. residents.

Do you or your other members qualify for Targeted EIDL grants? Go [here](#) to find out.

Want to hear more about NAWBO Advocacy efforts or get involved? Contact Elle Patout via email at epatout@nawbo.org.