



FEDERAL RESOURCES – BUSINESS BRIEFING

January 21, 2021

AGENDA

Bipartisan-Bicameral Omnibus COVID Relief Deal

- PPP/EIDL changes
- Additional Federal Resources



PLEASE SHARE

A recording of this briefing will be available at ndresponse.gov

If you have questions about these federal programs after the briefing, please...

Call 701.239.5131

Email north.dakota@sba.gov
or businesshelpcovid19@nd.gov



PRESENTERS



SHAWN KESSEL
Interim Commissioner
ND Department of Commerce



AL HAUT
District Director
Small Business Association

BIPARTISAN-BICAMERAL OMNIBUS COVID RELIEF

- \$900 billion total
- \$1.4 trillion year-end spending bill
- \$2.3 trillion total cost of package
- \$429 billion repurposed unused PPP



FEDERAL COVID RELIEF – INDIVIDUAL ASSISTANCE

- \$600 Individual/children
- Supplemental Nutrition Assistance Program (SNAP)
 - 15% benefit increase
 - Pandemic Unemployment Compensation NOT counted
 - College student eligibility
- \$400m Emergency Food Assistance Program



Where We Are

- Congress intended this round of PPP to increase access to COVID relief funding for the hardest-hit small businesses and those in underserved segments, including women, minorities & veterans.
- “Current economic uncertainty makes this loan request necessary to support the ongoing operations of the Applicant.”

For eligible applicants that did not receive a PPP loan prior to Aug. 9, 2020

WHAT IS A FIRST DRAW PPP LOAN?

- PPP loan eligibility now includes additional types of entities.
- Covered eligible expenses are expanded.
- Borrowers can now select a covered period to use PPP loan proceeds anytime between 8 and 24 weeks after disbursement.
- Certain borrowers may request an increase to their original PPP loan amount.
- Must apply **on or before March 31, 2021**, or until Congressional appropriations expire.

FIRST DRAW PPP LOAN ELIGIBILITY

MUST COMPLY WITH SIZE STANDARDS, ELIGIBILITY CRITERIA & CERTAIN LIMITATIONS

Newly Eligible

- Housing cooperatives
- Destination marketing organizations
- Certain 501(c)(6) organizations such as Chambers of Commerce
- Eligible news organizations

Still Eligible

- Business entities (e.g., partnerships, corporations, LLCs)
- Sole proprietors, independent contractors, self-employed individuals
- 501(c)(3) non-profit organizations
- 501(c)(19) Veterans organization
- Tribal businesses

WHAT IS A SECOND DRAW PPP LOAN?

FOR BORROWERS THAT PREVIOUSLY RECEIVED A PPP LOAN, HAVE 300 EMPLOYEES OR LESS, AND SUFFERED A 25% REDUCTION IN GROSS RECEIPTS

- For most borrowers, the maximum loan amount of a Second Draw PPP loan is 2.5x average monthly 2019 or 2020 payroll costs, up to \$2 million.
- For borrowers in the Accommodation and Food Services sector (NAICS 72), the maximum loan amount for a Second Draw PPP loan is 3.5x average monthly 2019 or 2020 payroll costs, up to \$2 million.
- Second Draw PPP loan applicants must submit the information on **SBA Form 2483-SD** (Borrower Application) when applying to their lender.

SECOND DRAW PPP LOAN ELIGIBILITY

MUST HAVE PREVIOUSLY RECEIVED A FIRST DRAW PPP LOAN

Additional Eligibility Criteria

- Has used or will use the full First Draw PPP loan amount only for eligible expenses before the PPP Second Draw Loan is disbursed
- Has no more than 300 employees
- Can demonstrate at least a 25% reduction in gross receipts between comparable quarters in 2019 and 2020.



PPP LOAN FORGIVENESS

BORROWERS MUST APPLY FOR FORGIVENESS THROUGH THEIR LENDER;
LENDERS SUBMIT BORROWER FORGIVENESS DECISIONS TO THE SBA

Updates per the Economic Aid Act

- EIDL Advances are no longer deducted from forgiveness payment.
- Forgiven PPP loans are not taxable income; expenses paid with PPP loan funds are now tax deductible; **consult the IRS** for details
- Expanded forgivable expenses are permissible for any PPP loan not already forgiven.
- **Coming soon:** simplified forgiveness application for PPP loans \$150,000 and under.

SHUTTERED VENUE OPERATORS GRANT

- Live Venue Operators, Movie Theaters, Museums, Zoos, Etc.
- Grant administered by SBA's Office of Disaster Assistance
- Covers Most Operating Costs
- Application process and forms – coming soon.
- [Shuttered Venue Operators Grant \(sba.gov\)](https://www.sba.gov)



MISCELLANEOUS

Traditional SBA Loan Programs Incentives

- Available through community lenders
- Increase guaranty percentage
- Fee waivers
- Debt Relief Payments

EIDL Applications – deadline extended to **12/31/2021**

- Direct loans available from SBA
- <https://covid19relief.sba.gov/#/>

WHAT TO DO NOW

- Contact your lender
- If you do not have a lender, find one on Lender Match:
sba.gov/LenderMatch
- Visit www.sba.gov/ppp for the most up-to-date documents



ADDITIONAL RESOURCES

- Contact your local SBA District Office or Resource Partner: [sba.gov/nd](https://www.sba.gov/nd)
- Subscribe to SBA e-newsletter: www.sba.gov/updates
- Follow SBA on Twitter: @SBAgov



ND RESOURCE PARTNERS

- [SBA.gov/local-assistance](https://www.sba.gov/local-assistance)



FEDERAL PANDEMIC UNEMPLOYMENT COMPENSATION PROGRAM

- Extends benefits to Self-employed and gig workers
 - 50 weeks
 - No eligibility later than April 5, 2021
- “Federal bump” \$300 per week
 - December 26, 2020 ending before March 14, 2021
 - Up to 24 weeks of unemployment.

EMPLOYEE RETENTION TAX CREDIT (ERTC)

- Expands in 2021
 - Maximum of \$14,000 per employee through June 30, 2021.
- Eligibility expanded
 - 500 or less employees – with a decline in gross receipts by more than 20% in any quarter of 2020 compared to the same quarter in 2019.

AGRICULTURE PROGRAM

- \$11.2 billion total support for Ag
- \$400 million Milk producer
- \$60 million Meat and poultry facility upgrade and planning grants



PROPERTY OWNERS - RENTAL ASSISTANCE

Emergency Rental Assistance

- \$25 billion for rental assistance
- 90% - For rental assistance programs
- 10% - For housing stability services.

Eviction Moratorium

- Residential evictions extended through January 31, 2021



ANOTHER PACKAGE

- Helpful articles
 - [Federal COVID Relief Bill passed by Congress - December 2020](#)
 - [The Treasury Department is Delivering COVID-19 Relief for All Americans](#)
 - [Small Business Update: The Latest Stimulus Details and Changes to PPP Loans](#)
- Employee Retention Tax Credit
 - [How Coronavirus-Impacted Businesses Can Use the Employee Retention Tax Credit](#)

CONTACT INFO:

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CLOSING REMARKS & THANK YOU

- Chris Kalash, GNDC

