

Relief Bill Overview

The \$600 stimulus payments began being dispersed on December 29, 2020, into eligible bank accounts. The enhanced unemployment insurance (UI) payments which provide an extra \$300 per unemployment payment are coming soon.

The Paycheck Protection Program (PPP) will reopen on Monday, January 11th for new borrowers and certain existing PPP borrowers.

Those who received the first PPP should be sure to spend it down prior to applying for the second. It will also be important to be able to show a 25% loss of gross receipts between a quarter this year and the same quarter last year.

Individuals should further reach out to their lenders (or whomever they got their PPP from previously) and ask if they plan on participating in this round of PPP and what they are looking for application-wise.

Relief Bill Details

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 the CARES Act will receive three additional months of P&I starting in February
- After the first three months, the borrowers who are the 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 the first six months for new loans approved between Feb 1, 2021 - Sept 30, 2021

Paycheck Protection Program (PPP)

- \$284 billion was allocated to the program and it is extended through March 31, 2021
- For businesses 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 the same quarter of 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 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 that 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

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
- If you receive a Shuttered Venue grant, you are ineligible for the PPP - *and vice-versa*

EIDL Advance

- \$20 billion allocate for EIDL Advances
- Small businesses and 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

Agriculture

- \$13 billion set aside for direct payments to farmers who have suffered losses due to COVID-19

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 child care providers through the Child Care and Development Block Grant (CCDBG) program
- Funds can be used for personnel, sanitization and cleaning, PPE, fixed costs, rent, utilities, other costs

Alaska SBDC Weekly Briefings

To meet the high demand for information, the Alaska SBDC has resumed its Weekly Briefing schedule in partnership with the Small Business Administration (SBA) and the Foraker Group to discuss resources for businesses and nonprofits. [Register once](#) and join each Wednesday at 2:00pm as often as needed.

If you have any questions, are looking to access relief funding, or need small business support, please connect with our team at info@aksbdc.org.



Alaska Small Business Development Center

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