Congressional Action

On March 6th, 2020, Congress passed H.R. 6074, the Coronavirus Preparedness and Response Supplemental Appropriations Act, which enabled the Small Business Administration (SBA) to make an estimated $7 billion in low-cost loans available to affected small businesses.

Excerpt of Bill Language

(INCLUDING TRANSFERS OF FUNDS) For an additional amount for the “Disaster Loans Program Account” for administrative expenses to carry out the disaster loan program authorized by section 7(b) of the Small Business Act, $20,000,000, to remain available until expended: Provided, That such amounts may be transferred to and merged with “Small Business Administration—Salaries and Expenses”: Provided further, That for purposes of section 7(b)(2)(D) of the Small Business Act, coronavirus shall be deemed to be a disaster and amounts available under “Disaster Loans Program Account” for the cost of direct loans in any fiscal year may be used to make economic injury disaster loans under such section in response to the coronavirus: Provided further, That none of the funds provided under this heading in this Act may be used for indirect administrative expenses: Provided further, That such amount is designated by the Congress as being for an emergency requirement pursuant to section 251(b)(2)(A) (i) of the Balanced Budget and Emergency Deficit Control Act of 1985: Provided further, That amounts repurposed under this heading that were previously designated by the Congress as an emergency requirement pursuant to the Balanced Budget and Emergency Deficit Control Act of 1985 are designated by the Congress as an emergency requirement pursuant to section 251(b)(2)(A)(i) of the Balanced Budget and Emergency Deficit Control Act of 1985.

On March 18th, 2020, Congress passed H.R. 6201, the Families First Coronavirus Response Act, which provided specific provisions that impact small, medium and large businesses. The bill included language supporting provisions for employees, including establishing COVID-19 testing, protecting public health workers, and benefits to children and families, which are summarized here. The bill also includes important provisions that establish a federal emergency paid leave benefits program to provide payments to employees taking unpaid leave due to the coronavirus outbreak, expands unemployment benefits, provide grants to states for processing and paying claims and requires employers to provide paid sick leave to employees.

Upcoming Legislation

The Senate Committee on Small Business outlined a forthcoming small-business stimulus bill (The Restoring Economic Security, Confidence and User Endurance (RESCUE) Businesses Act of 2020), which is to be included in a 3rd stimulus bill and will include a $300 billion small business emergency economic relief plan, in addition to the loan relief provided by SBA in the recently passed House bill. SEIA has advocated strongly for this legislation, which would provide much-needed assistance to the 75% of solar companies that are small businesses. The goal of this bill with respect to small businesses is to maintain cash-flow and liquidity during crisis. The bill would also:

• Provide approximately $300 Billion in loan subsidy at a 100 percent guarantee rate for economic impact loans;
• Institute zero fees on borrowers and lenders through the program, and borrowers would make no payments for one full year; and
• Provide payroll forgiveness for March 1 – June 30 on borrowers that don’t lay off any employees for all amounts used to meet payroll.

The House of Representatives is also working on a broad proposal to support small businesses. It may include language that would support additional grants, loans and tax rebates for small businesses suffering during this crisis.
Resources for Small Businesses

Small Business Administration (SBA)

The Small Business Administration is coordinating with states to assist and approve requests as quickly as possible. The House and Senate Committees on Small Business are working with SBA to further streamline the process. Click here for a fact sheet covering frequently asked questions about disaster loans available from the SBA. The SBA also has a dedicated webpage set up to provide resources and up-to-date information, which you can find here.

As of March 19, the following states are currently eligible to apply for a low-interest loans due to Coronavirus (COVID-19): California, Connecticut, Delaware, the District of Columbia, Florida, Georgia, Indiana, Maine, Massachusetts, Montana, Nevada, New Hampshire, New Jersey, New Mexico, North Carolina, Rhode Island, Utah, and Washington. Click here to apply.

- Upon a request received from a state’s or territory’s Governor, SBA will issue under its own authority, as provided by the Coronavirus Preparedness and Response Supplemental Appropriations Act that was recently signed by the President, an Economic Injury Disaster Loan declaration.
- Any such Economic Injury Disaster Loan assistance declaration issued by the SBA makes loans available statewide to small businesses and private, non-profit organizations to help alleviate economic injury caused by the Coronavirus (COVID-19).
- SBA’s Office of Disaster Assistance will coordinate with the state’s or territory’s Governor to submit the request for Economic Injury Disaster Loan assistance.
- Once a declaration is made, the information on the application process for Economic Injury Disaster Loan assistance will be made available to affected small businesses within the state.
- These loans may be used to pay fixed debts, payroll, accounts payable and other bills that can’t be paid because of the disaster’s impact. The interest rate is 3.75% for small businesses. The interest rate for non-profits is 2.75%.
- SBA offers loans with long-term repayments in order to keep payments affordable, up to a maximum of 30 years. Terms are determined on a case-by-case basis, based upon each borrower’s ability to repay.

Small Business Administration Disaster Office Contacts

If you would like to coordinate information calls, briefings and other resources at the regional, state and local level, reach out to the following contacts:

Federal Regions I-V (States/Territories East of Mississippi River):
Michael Lampton, Public Affairs Supervisor, michael.lampton@sba.gov
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Federal Regions VI-X (States/Territories West of Mississippi River):
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