



State and Federal Policy Update / Listening Session

General Info

- **Everyone's audio is muted**
- **Zoom menu --- drag cursor down screen.**
 - **Mic icon on left.**
 - **Chat box.**
- **Resize your title slides and speaker slide by click-and-dragging the two small vertical bars between the two screens to the left.**
- **We are recording and you are free to share. We will send all registrants a link as soon as we can.**
- **You will receive a copy of today's slides.**

AGENDA



- ❑ Introduction
- ❑ Federal Update
 - ❑ Ann Sullivan, Madison Services Group

PPP Program – Take Two

- PPP program authorized at \$284.5 billion, including \$35 billion for first-time loans through March 31, 2021
- Three significant changes:
 1. Emphasis on minority/veteran/women/underserved access to the program
 2. Ability to get a second PPP loan
 3. Expansion of eligible expenses for forgiveness

More Access for Underserved Entrepreneurs



- Three-page guidance by SBA: <https://www.sba.gov/funding-programs/loans/coronavirus-relief-options/paycheck-protection-program>
- An early start – January 11 – 13 and reserved lending for these entrepreneurs
- Utilization of Lender Match and SBA District office assistance

Second Loan Changes

- Show reduced revenues of 25% or more in all or part of 2020 compared to all or part of 2019 revenues;
- Applicable to 300 employees or less
- Will use up first loan by the time 2nd loan is disbursed
- Guidance on 1st and 2nd loans available at: <https://www.sba.gov/funding-programs/loans/coronavirus-relief-options/paycheck-protection-program>

Expanded Expense Eligibility

- To be eligible for full loan forgiveness, PPP borrowers will have to spend no less than 60% of the funds on payroll over a covered period between eight or 24 weeks.
- Expenses covered in first PPP included payroll, rent, covered mortgage interest, and utilities
- Additional expenses added to program:
 - Covered property damage costs related to property damage and vandalism or looting due to public disturbances in 2020 that were not covered by insurance or other compensation.
 - Expenditures to suppliers that are essential at the time of purchase to the recipient's current operations.
 - Covered operating expenditures, which refer to payments for any business software or cloud computing service that facilitates business operations; product or service delivery; the processing, payment, or tracking of payroll expenses; human resources; sales and billing functions; or accounting or tracking of supplies, inventory, records, and expenses.

Additional Changes

- Allows 501c(6) orgs to qualify for loans as long as not more than 15% of total activity is attributed to lobbying
- Simplifies forgiveness paperwork for loans under \$150,000
- Grants to shuttered venue operators available
- Overrules IRS ruling that did not allow for expenses to be deducted that were forgiven