

## Help For Small Businesses

Across the country, the harm inflicted by COVID-19 on Americans' health is causing historic damage to the economy. Northern Virginia workers and business owners have flooded my office with calls and emails seeking assistance, and I am working hard with my colleagues and staff to provide it.

I previously released summaries of assistance available to people in our region, including [food](#), [housing](#) (help paying rent and mortgage), and [financial support](#) (direct payments, unemployment insurance, and more). This document summarizes programs designed to help small businesses.

As a former small business owner myself, I understand the deep pain small business owners are feeling right now as they face difficult decisions, uncertain futures, and frightening times. I share the frustrations of those who have already attempted to access some of this assistance without success or with extreme difficulty and confusion. I am working every single day trying to improve these programs and make them work for small business owners.

It is my strong belief that, while the supports Congress put in place through the CARES Act are historically large, much more will be needed to help small businesses and workers, as well as the medical professionals, local, and state governments who are working to ensure our safety. I am actively engaged in crafting additional legislation to that end, and will continue to engage with constituents and local leaders to help inform that progress.

Finally, my conversations with top economists continue to yield agreement that there can be no economic recovery without first controlling the pandemic. We can all help in this regard by doing our part, staying home, washing our hands, and following guidelines from public health officials.

### *The Paycheck Protection Program*

**\*\*\*Program Currently Frozen; if you currently have an approved loan but have not received the money, your loan is funded and the money is on its way.\*\*\***

The CARES Act provides \$349 billion for low-interest small business loans through the Paycheck Protection Program. Loan applications are administered through 7(a) lenders, and my staff compiled a [list 7\(a\) lenders in Virginia](#). My office is providing letters of introduction to some small business owners, to request such a letter please fill in this [form](#).

Loans are capped at \$10 million, with the size of the loan determined by payroll history, and repayment is deferred for six months. PPP loans are eligible for total forgiveness for businesses which meet certain conditions of employee retention, and may be used to cover operating expenses in addition to payroll costs. Businesses with 500 or fewer employees, including some non-profits, as well as the self-employed, sole proprietors, and independent contractors may apply. More information on the program is available from the [Small Business Administration](#).

### *Economic Injury Disaster Loans*

**\*\*\*Program Currently Frozen\*\*\***

The Small Business Administration also administers Economic Injury Disaster Loans, available to businesses impacted by disasters. Governor Northam requested and received a Major Disaster

Declaration for the COVID-19 on April 2, and many Virginia businesses will qualify for loans through this program. Businesses may apply for EIDL funds via the [Small Business Administration](#).

EIDL includes an advance grant of up to \$10,000 and loans of up to \$2 million to businesses, including contractors and sole proprietors, harmed by the pandemic. The CARES Act required that EIDL funds be made available to businesses within three days of receipt of a successful application (though few have received money to date, more on this below). More information on EIDL is available from SBA [here](#).

Different businesses may be eligible for funds through EIDL, PPP, or both, depending on their size and circumstances. A flowchart to help sort out differences in the programs is available [here](#). The Senate Small Business Committee created a [helpful guide](#) to help navigate these programs with additional an FAQ and guidance about counseling.

### ***I Am Working To Fix And Fund These Programs***

From the moment they were initiated, Northern Virginia small business owners have been in continuous contact me about problems with both PPP and EIDL which prevented many from securing loans.

I strongly support immediate increases in funding to both the Paycheck Protection Program and Economic Injury Disaster Loans to get them up and running again. I have been working ceaselessly with [colleagues](#), [lenders](#), and [Administration officials](#) at the Treasury Department and Small Business Administration to fix problems with these programs and get money flowing to small businesses so we can protect jobs in our community with all possible haste.

### ***Additional SBA Programs And Counseling***

Congress funded other assistance for small business relief through the Small Business Administration, including [Express Bridge Loans](#), which provide a quick cash infusion to businesses with SBA Express Lenders, and [SBA Debt Relief](#), which provides for the automatic repayment of some prior SBA loans.

The CARES Act also contained \$275 million in funding for grants to Small Business Development Centers, Women's Business Centers, and Minority Business Development Agency's Business Centers. SBA partners with local offices to offer counseling and training to small businesses; in our region this includes the [SBA Washington Metropolitan Area District Office](#), [the Alexandria SBDC](#), and [Virginia SBDC](#).

Further details on these and other CARES Act assistance programs for small businesses affected by the COVID-19 pandemic are available [here](#). The House Small Business Committee created [this overview](#) of small business assistance provisions in the CARES Act, with answers to frequently asked questions.

### ***Main Street Lending Program***

Federal Reserve Chair Jerome Powell recently [announced](#) that the Fed would create a new direct loan program to support small and mid-size businesses. Details of the program, called the [Main Street Lending Program](#), are still in development, and it is presently unclear how soon lending will begin.

These times are grim for small businesses, but please know that I feel your pain and am doing everything I can to help. We will get through this together.