

## Keeping Workers Paid and Employed Act

### Immediate Measures to Protect Against COVID-19 Threats (IMPACT) for Small Businesses

- Provides emergency, 100 percent guaranteed loans of up to \$10 million to small businesses.
- Allows businesses to be eligible for loan forgiveness for the portion of loan spent on payroll and payments on debt obligations between March 1 and June 30, conditional upon business retaining their employees during this time.
- Issues loans through banks and other financial institutions, including preferred SBA lenders, Fintech lenders, and additional lenders deemed appropriate by the Treasury Department.
- Authorizes the Treasury Department to expedite the addition of new lenders and makes further enhancements to expedite delivery of capital to small businesses.

### Loan Guaranty Program

- Expands the allowable uses for 7(a) loans to permit payroll support, including paid sick leave, supply chain disruptions, employee salaries, mortgage payments, and other debt obligations to provide immediate access to capital for small businesses who have been impacted by COVID-19.
- Increases the 7(a) maximum loan amount to \$10 million and requires the size of the loan to be tied to the businesses' last year of revenue to ensure the size of the loan is in line with the size of the business.
- Increases the maximum loan amount for an SBA Express loan from \$350,000 to \$1 million. These loans currently have a much faster approval process through SBA and provide borrowers with revolving lines of credit for working capital purposes.
- Reduces the cost of participation in the 7(a) program to both borrowers and lenders by providing fee waivers and a 100% guarantee on all 7(a) loans for one year and automatic deferment of payments for one year, and no prepayment penalties.
- Requires SBA to streamline the process in which lenders become a preferred lender in the 7(a) program to allow for banks not currently certified to quickly receive preferred 7(a) lender processes with the SBA.
- Appropriates \$300 billion to issue these loans.

### Entrepreneurial Assistance

- Provides \$240 million in grants for SBA Small Business Development Centers and Women's Business Centers for counseling, training, and related services for small business owners impacted by COVID-19.
- Authorizes \$25 million for SBA to provide grants to associations representing resource partners to establish an online platform that consolidates resources across multiple Federal agencies and a training program to educate small business counselors on those resources to ensure counselors are directing small businesses appropriately.
- Provides \$10 million in grants for Minority Business Development Agency's Minority Business Centers to offer small business owners impacted by COVID-19 counseling, training, and technical assistance.
- Waives the non-federal match requirement for Women's Business Center's for a period of three months.