

Bridging the Gap: Federal Loan Programs for Small to Mid-Sized Businesses in the Wake of the COVID-19 Pandemic

October 29, 2020

PRACTICES Finance

On March 27, 2020, Congress passed, and the President signed into law, the Coronavirus Aid, Relief, and Economic Security Act (the “**CARES Act**”). The following information is a summary of relevant information on the three applicable loan programs available for small to mid-sized businesses to apply for COVID-19 relief: (a) the Paycheck Protection Program (the “**PPP**”), (b) the Main Street Lending Program (the “**MSLP**”), and (c) the Economic Injury Disaster Loan Program (the “**EIDL**”).

On April 24, 2020, President Trump signed H.R.266, the Paycheck Protection Program and Health Care Enhancement Act (the “**PPP/HCE Act**”). The PPP/HCE Act modifies and increases funding for the PPP and the EIDL, providing an additional \$310 billion in PPP loans and \$60 billion in EIDL loans and grants, including loans for funding hospitals and coronavirus testing.

On June 5, 2020, President Trump signed H.R.7010, the Paycheck Protection Program Flexibility Act of 2020 (the “**PPPFA**”). The PPPFA modifies the PPP to provide additional flexibility to companies in using PPP loan proceeds and obtaining forgiveness for such loans from the Small Business Administration (the “**SBA**”).

See [here](#) to read the full article.