

Congress Sends Small Business Funding Bill to the President

Today the House passed a nearly \$500 billion coronavirus response package (Phase 3.5), which increases funding for the Paycheck Protection Program (PPP) by \$310 billion. The bill, which passed the Senate on Tuesday, also requires that \$60 billion of the increased PPP loan level is reserved for loans to small businesses by smaller lenders, including credit unions and minority-owned banks.

The bill also includes another \$50 billion for SBA Economic Injury Disaster Loans (EIDL) to help support emergency loans and an additional \$10 billion for associated disaster grants to small businesses. The current package only addresses funding levels, not loan program changes or eligibility rules to receive a PPP loan. The President has said he will sign the measure.

The President and Congress are already focusing on the next stimulus package (Phase 4), which is expected to be much broader. This legislation will probably be considered in late May or June. There are likely to be efforts to create additional transparency for recipients of the existing PPP loans. Also, if additional PPP funds are sought in Phase 4, there may be efforts to change the eligibility rules for small businesses to receive future PPP loans.

NADA continues to strongly advocate for swift action to replenish PPP funding and the broadest possible business relief to help dealerships continue in operation, as well as to assist state dealer associations by seeking additional relief for 501-c-6 organizations. Thank you for all of your efforts, and we will continue to keep you updated. NADA Legislative Office