



CONGRESSMAN SEAN CASTEN

Representing the 6th District of ILLINOIS



E-Mail



Press



Flags



Tours



Grants



Casework

March 31, 2020

Dear Mr. Di Ciaula,

I wanted to make you aware of new economic assistance available to small businesses affected by COVID-19. On March 27, the House passed H.R. 748, the CARES Act, a bipartisan supplemental package to help those affected by the novel coronavirus, also known as COVID-19. The \$2 trillion package was signed into law and contains more than \$375 billion in relief for struggling small businesses with funding for disaster grants, debt relief for current and new SBA borrowers, and the Paycheck Protection Program.

To keep up to date on when these programs become available, please stay in contact with your our Small Business Administration (SBA) District Office, which you can locate [here](#).

Paycheck Protection Program

The Paycheck Protection Program (PPP) will provide nearly \$350 billion in forgivable loans to assist small businesses with payroll support, insurance premiums, mortgage, rent, and utility payments. The program also waives both borrower and lender fees, the credit elsewhere test, and collateral and personal guarantee requirements for participants.

Who is eligible?

Small businesses with up to 500 employees, 501 (c)(3) nonprofits, 501(c)(19) veteran's organizations, independent contractors, and self-employed individuals are eligible to apply. The program also temporarily waives SBA "affiliation rules" to allow businesses with multiple locations to qualify.

Borrowers will need to demonstrate that their businesses were operational on February 15, 2020, and make a good faith certification that the loan is necessary due to the uncertainty of the current economic conditions caused by COVID-19.

Are these grants?

The loans are convertible to grants if certain requirements are met. The amount of the loan forgiven at the end of the year will be determined by the number of employees retained on the company's payroll.

The SBA's network of 2,500 7(a) lenders will be used to process these loans. The bill provides the authority to fast track additional lenders to process and disburse these loans to reach as many small businesses as quickly as possible.

How to Apply?

Borrowers may apply for PPP loans and other SBA financial assistance, including Economic Injury Disaster Loans (EIDLs), 7(a) loans, 504 loans, and microloans, and also receive investment capital from Small Business Investment Corporations (SBICs).

Struggling to get started? The following questions might help point you in the right direction. Do you need:

- **Capital to cover the cost of retaining employees?** Then the Paycheck Protection Program might be right for you.
- **A quick infusion of a smaller amount of cash to cover you right now?** You might want to look into an Emergency Economic Injury Grant.
- **To ease your fears about keeping up with payments on your current or potential SBA loan?** The Small Business Debt Relief Program could help.
- **Just some quality, free counseling to help you navigate this uncertain economic time?** The [resource partners](#) might be your best bet.

On March 14, I also voted for the bipartisan H.R. 6201, the Families First Coronavirus Response Act. H.R. 6201 that makes available free coronavirus testing for everyone who needs a test, paid emergency leave with two weeks of paid sick leave and up to three months of paid family and medical leave, additional access to food assistance for those in need, and dedicated funding to bolster states' public health capacity. This bill passed the House and Senate and was signed into law on March 18, 2020.

You will find more resources on my website [here](#).

I hope this information is helpful. Small businesses employ almost half of the U.S.'s total workforce, making them integral to both our economy and community. Advocating for resources to support businesses like yours during this pandemic is of the utmost priority, and I'll keep in touch as additional information becomes available.



WASHINGTON, DC OFFICE

429 Cannon HOB
Washington, DC 20515
Phone: (202) 225-4561

GLEN ELLYN OFFICE

800 Roosevelt Road
Glen Ellyn, IL 60137
Phone: (630) 520-9450

BARRINGTON SATELLITE

200 S. Hough St.
Barrington, IL 60010
Wednesday from 9:00-5:00 and by
appointment