BULLETIN #93/2020
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_CORONAVIRUS UPDATE #78

BAKER ADMINISTRATION BEGINS STEP 2 OF RE-OPENING'S PHASE TWO

TREASURY, SBA TO PUBLISH NAMES OF PPP LOAN RECIPIENTS

SBA LAUNCHES ON-LINE TOOL FOR SMALL BUSINESSES

NADA COVID-19 RESOURCES

MASSACHUSETTS COVID-19 DAILY TRACKER

[*This bulletin supplements our previous bulletins #11 and #16 through #91 on this subject matter. These bulletins are intended to be cumulative so we can avoid repeating the same information*.]

Massachusetts Re-Opening Phase Two, Step 2 Begins Today

Today the Baker-Polito Administration is allowing more businesses to re-open, and others that have been operating on a limited basis can expand certain services and operations, as part of Step 2 of its Phase Two of the four-phase economic re-opening plan it issued last month. On Friday, June 19, the administration issued the following announcement:

"Today, the Baker-Polito Administration announced that Step Two of Phase II of the Commonwealth's four-phase reopening plan, ***Reopening Massachusetts***, will begin on Monday, June 22 to allow additional industries to resume operations under sector-specific guidelines.

"Businesses and sectors set to begin operating in Step Two of Phase II are subject to compliance with all mandatory safety standards.

"On May 18, the Administration released a four-phased plan to reopen the economy based on public health data, spending at least three weeks in each phase. Key public health data, such as new cases and hospitalizations, has been closely monitored and seen a significant decline allowing for Step Two of Phase II to begin on June 22.

"The following will be eligible to reopen in Step Two of Phase II on Monday, June 22:
- Indoor table service at restaurants;
- Close contact personal services, with restrictions;
- Retail dressing rooms, by appointment only;
- Offices, at 50 percent capacity

"Full list and safety protocols available at www.mass.gov/reopening.

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"In order to give Step 2 businesses time to prepare, the Administration had previously released sector-specific guidance in advance of Phase II for industries including restaurants, close-contact personal services and sectors not otherwise addressed:
- Guidance for Restaurants
- Guidance for Close-Contact Personal Services
- Guidance for Other Industries
- Guidance for Sectors Not Otherwise Addressed

"Before these sectors can resume operations under the guidelines, businesses must meet all safety standards, create a COVID-19 control plan, and complete a self-certification."

SBA, Treasury to Publish Names of Some PPP Loan Recipients
By Jeff Drew, *Journal of Accountancy*

Late Friday, June 19, the U.S. Small Business Administration (SBA) and Treasury Department announced they have agreed to publish the names and amount ranges for all recipients of Paycheck Protection Program (PPP) loans of $150,000 or more.

In a news release issued Friday night, Treasury Secretary Steven Mnuchin and SBA Administrator Jovita Carranza said they had reached an agreement with the bipartisan leaders of the Senate Small Business Committee to make public additional data regarding the PPP.

Specifically, the SBA will disclose the business names, addresses, North American Industry Classification System (NAICS) codes, ZIP codes, business type, demographic data, not-for-profit information, jobs supported, and loan amount ranges as follows:
- $150,000 to $350,000
- $350,000 to $1 million
- $1 million to $2 million
- $2 million to $5 million
- $5 million to $10 million

These categories account for nearly 75% of the loan dollars approved, according to the SBA and Treasury. For loans below $150,000, the SBA will release totals aggregated by ZIP code, by industry, by business type, and by various demographic categories.

"We are striking the appropriate balance of providing public transparency, while protecting the payroll and personal income information of small businesses, sole proprietors, and independent contractors," Mnuchin said in the release.

PPP loans totaling more $510 billion have been approved so far. The final date to apply to the $659 billion program is June 30.

[*MSADA NOTE: As of this morning, Treasury and the SBA have not indicated how and when this information will be disclosed*.]

SBA Launches On-Line Tool for Small Businesses

The Small Business Administration launched Lender Match, an online tool to pair small businesses with Community Development Financial Institutions, Minority Depository Institutions, Certified Development Companies, Farm Credit System lenders, micro-lenders, and traditional smaller-asset lenders in the Paycheck Protection Program. Lender Match is an additional resource for pandemic-affected small businesses that have not applied for or received a PPP loan.

NADA Quick Links Are Always Available

NADA has prepared a wealth of resources during the pandemic. We encourage dealers to continue accessing NADA's Quick Links any time to get information about the PPP, Main Street Lending Program, re-opening guidance, and more.

- NADA's Analysis of PPP Loans: Use of Proceeds and Forgiveness reflects SBA's changes to the PPP since the passage of the PPP Flexibility Act. The NADA analysis addresses key provisions such as loan maturity, deferral of loan payments and forgiveness.
- On June 17, SBA and the Treasury Department issued an updated version of the Standard Forgiveness Application with instructions.
- SBA issued a simplified EZ Forgiveness Application and instructions for PPP borrowers.
- NADA's CARES FAQs include the most recent information for loan certifications and forgiveness elements in the PPP.
- See NADA's concise summary of federal aid programs available to qualifying businesses.
- NADA's New Federal Emergency Leave Mandates FAQs reflect the Department of Labor's addition on employee leave eligibility. These cover employee eligibility for emergency paid sick or childcare leave.
- NADA's Main Street Lending Program FAQs reflect the latest developments on this federal initiative to provide $600 billion in financing for small- and medium-sized businesses.
- The Federal Reserve Bank of Boston released several documents for the MSLP, along with revised FAQs.

Quick Summary of Federal Loan Programs

Borrowers may apply for both an Economic Injury Disaster Loan (EIDL) and a PPP loan, but cannot spend the funds on the same expenses. Borrowers cannot have more than one PPP loan. Interested dealers should consult with their CPAs and at least one prospective lender. A summary of the different programs:

- Economic Injury Disaster Loan: Maximum loan $150,000; maximum forgivable $10,000; 3.75%/up to 30 years.
- Paycheck Protection Program: Maximum loan $10 million; maximum forgivable is total loan amount spent on qualifying expenses; 1%/up to five years.
- Main Street Lending Program: Maximum loan $35 million (can be higher by expanding an existing loan); none of the loan amount is forgivable; Libor + 300 points/up to five years.

NADA COVID-19 Resources for Dealers

NADA has produced a tremendous amount of resources to help dealers and their operations during the Coronavirus pandemic. A prolific source of information has been the NADA regulatory affairs team, by way of guidance, analysis, interpretation and explanation. The regulatory affairs group has recently worked with the NADA public affairs team to reorganize all of the regulatory compliance materials on the NADA Coronavirus Hub. The trove of materials is now organized by "Information" and by "Key Documents." Hot links lead you to every individual item/resource. The site and the links will be updated continuously. Bookmark the address, and click on the links as you need them for the latest versions of everything, such as CARES Act, SBA, PPP, Tax Relief, and more. Please check it out here: https://www.nada.org/coronavirus/regulatory/.

Daily Massachusetts COVID-19 Tracker

The state's COVID-19 Dashboard with up-to-the-date data can be found here.