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June 9, 2020

Dear Arts Action Fund Member,

I wanted to share two important updates on federal loan programs.

1. On June 5, 2020, the President signed into law the Paycheck Protection Program Flexibility Act to provide borrowers greater flexibility in getting their loans forgiven. On June 8th, U.S. Treasury Secretary Steven Mnuchin and SBA Administrator Jovita Carranza released a [joint statement](#) outlining the changes.
 - Please note that while the "covered period" of the loan was extended from 8 weeks to 24 weeks, **the deadline for getting your loan application approved by a bank remains June 30, 2020.** If you're still considering applying for a forgivable PPP federal loan, please do not delay. There is still more than \$130 billion in available funds, but your application must be approved by your bank by the end of this month.
2. On June 8, 2020, the Federal Reserve [announced the expansion of the Mainstreet Lending Program](#) to small and medium-size businesses. While these types of loans are **not** the forgivable type and were previously only available to major corporations, the terms may be attractive and provide much more flexibility for use of funds. \$75 billion is being made available for these loans through the CARES Act. Please note that the Federal Reserve Board also confirmed that they will soon be announcing an additional loan program specifically for nonprofit organizations. Key highlights of the newly expanded Main Street Loans include:
 - Allowing eligibility for companies with fewer than 15,000 employees
 - Lowering the minimum loan size for certain loans to \$250,000 from \$500,000
 - Increasing the maximum loan size for all facilities
 - Increasing the term of each loan option to five years, from four years
 - Extending the repayment period for all loans by delaying principal payments for two years, rather than one year
 - Deferring interest payments for one year
 - Interest rates set at LIBOR+3%
 - Raising the Reserve Bank's purchasing of all loans to 95%

Resources to Assist You:

1. [Office Hours with Nina](#) (Free Q&A forum about the CARES Act on M, W, F @ 11am EDT)
2. [Book Nina for Your Own Webinar](#) (Free service to share tips on CARES Act and legislation)
3. [Americans for the Arts Coronavirus Resource and Response Center](#)

Thank you for everything **you** do to enrich people's lives through the arts. If possible, please also consider contributing to the Arts Action Fund.

Contribute NOW!

● \$10 ● \$25 ● \$50 ● \$100

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Executive Director

