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UPDATED COVID-19 ARTS RESOURCES TABLE

SBA WEBSITE FOR COVID-19 RELIEF

January 22, 2021

Dear Arts Action Fund Member,

As we await SBA regulations and guidelines on implementing the **Shuttered Venue Operators (SVO) grants**, I wanted to share the following important news:

- SBA Shuttered Venues Website.** Please check the SBA website's SVO section on a daily basis as they are posting new and corrected information by the minute at www.sba.gov/funding-programs/loans/coronavirus-relief-options/shuttered-venue-operators-grant.
- SVO Priority Awards.** The SBA website modified its original preliminary guidelines to be more in line with the Congressional intent of the newly passed law. SBA is no longer limiting the first two priority distributions to shuttered venues with only 50 employees or fewer. While there is still a set aside of \$2 billion for this category of small venues, the early distribution awards are for any size organization with 90 or 70 percent revenue loss (still not clear if this is gross or earned revenue). The SBA statement on [their website](#) now reads:

"On January 20, 2021, SBA updated the proposed plan for issuing Shuttered Venue Operators Grants during the first and second priority periods. To clarify, priority awardees will not need to satisfy the small employer set-aside. During the first 59 days of opening the SVO Grants, SBA will reserve no less than \$2 billion of program funding for grants to entities that have no more than 50 employees."
- Applying for PPP versus SVO.** If you believe your organization has a good chance at qualifying for an SVO grant, then you should **not** apply for a PPP second or first draw after 12/27/20. Various SBA district directors have been notified that the SBA national office will be imminently posting to their website an important clarification that **SVO Grant applicants will be disqualified if they apply for a PPP forgivable loan**. Below is the email communication from SBA about this:

"Please note: While the info on our website states that an SVO Grant recipient cannot also receive a PPP Loan and vice versa, our Office of Disaster Assistance (ODA), which will administer the SVO Grants, clarified in an email to the field offices today that those interested in SVO Grants cannot even apply for PPP. ODA is working on publicizing that info, but if you have constituents this could affect please let them know."
- PPP Acceptance Timing.** In addition to the clarification above on applying for PPP versus SVO, please know that PPP bank loan offers can only remain open for 10 days before the bank offer is rescinded. SBA states **"The lender must disburse the loan no later than 10 calendar days from the date of loan approval."**
- Updated PPP Guidelines and Forgiveness Forms.** SBA released additional guidance surrounding the PPP program this week. They have also updated their Forgiveness Forms to reflect the new changes made in the law on December 27, 2020, including using the 3508S short forgiveness form for loans up to \$150,000, no longer reducing forgiveness by EIDL Advance amount, expanding the definition of payroll and non-payroll costs:
 - [SBA Form 3508 Paycheck Protection Program Loan Forgiveness Application](#) (updated 01-19-21)
 - [SBA Form 3508EZ Paycheck Protection Program Loan Forgiveness Application](#) (updated 01-19-21)
 - [SBA Form 3508S Paycheck Protection Program Forgiveness Application](#) (updated 01-19-21)
 - [Second Draw PPP Loans: How to Calculate Revenue Reduction & Maximum Loan Amounts](#)
 - [How to Calculate Maximum Loan Amounts for First Draw PPP Loans and What Documentation to Provide](#)
 - [Procedural Notice - PPP Borrower Resubmissions of Loan Forgiveness Applications Using Form 3508S, Lender Notice Responsibilities to PPP Borrowers, and Offset of Remittances to Lender for Lender Debts](#)
 - [Procedural Notice - Paycheck Protection Program Excess Loan Amount Errors](#)
- Targeted EIDL Advances.** SBA has also now corrected information on their website about EIDL Advances based on the Economic Aid Act legislation passed on 12/27/20. SBA will now be fulfilling the balance of original EIDL Advance requests of up to \$10,000 that the CARES Act was meant to do. Those borrowers (priority given to borrowers located in low income neighborhoods) will be contacted directly by SBA to receive additional EIDL advance grant funds (This is not a loan and it does not have to be repaid or reported as taxable income.) See the SBA website for additional rules and qualifications. www.sba.gov/funding-programs/loans/coronavirus-relief-options/covid-19-economic-injury-disaster-loans#section-header-6

Upcoming SVO Webinar. We will email you with the new date and time for our second part webinar on SVO grants as soon as SBA releases its official guidelines. In the meantime, the Arts Action Fund posts all of its COVID-19 economic resources at www.ArtsActionFund.org/COVID19Resources, including our regularly updated [2021 COVID Arts Resources Table](#).

Stay safe and stay tuned for more.

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