

“HEROES Small Business Lifeline Act”

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The HEROES Small Business Lifeline Act is a comprehensive package of small business assistance from HEROES 2.0 that would provide a broad mix of relief and investment for hard-hit and underserved small businesses. It would help small businesses by:

- **Extending and improving the Paycheck Protection Program (PPP) to better serve small businesses.** HEROES 2.0 extends PPP through March 2021; provides a second PPP for the hardest-hit small businesses and nonprofits; expands eligibility to ensure that all nonprofits, regardless of size and type, critical access hospitals, and local news media can participate; simplifies the forgiveness process; repeals the requirement of deducting an EIDL advance from the PPP forgiveness amount; and removes limitations that unfairly restrict small businesses owned by formerly incarcerated individuals from securing a PPP loan.
- **Extending and expanding the Debt Relief program.** HEROES 2.0 extends payments of principal, interest, and fees on all preexisting and new Small Business Administration (SBA) 7(a), 504 and microloans for up to a year, with more relief targeted to existing borrowers in underserved markets and the hardest-hit sectors. This debt relief program is also expanded to include SBA’s physical and EIDL disaster loans.
- **Supporting the smallest, most vulnerable businesses.** HEROES 2.0 includes a new \$40 billion Lifeline Grant program, of which half is set aside for underserved businesses, that provides grants of up to \$50,000 to vulnerable small businesses that have suffered a significant economic loss and creates a new \$15 billion grant program for state and local governments to provide funds to vulnerable small businesses in their communities.
- **Delivering targeted assistance to small businesses in struggling industries.** HEROES 2.0 includes the Save our Stages (SOS) Act and the RESTAURANTS Act, which provide dedicated assistance for industries that rely on large gatherings, including restaurants, concert venues, and theaters.
- **Investing in underserved communities.** HEROES 2.0 invests in the mission- and community-based lenders that have a demonstrated history of getting capital to minorities, women, and other underserved communities. Specifically, it includes a dedicated \$15 billion PPP set-aside for Community Development Financial Institutions (CDFIs), Minority Depository Institutions (MDIs), and other mission lenders, \$1 billion in support for CDFIs, and \$13 billion for a new Neighborhood Capital Investment Program to support CDFIs and MDIs, among other key policies to support the work of these lenders in underserved communities.
- **Improving existing small business initiatives.** HEROES 2.0 builds on SBA’s core programs, including 7(a), Community Advantage, 504, and the Microloan program, by making them more affordable and useful to small businesses, and provides \$1 billion for investment capital to underserved businesses. It also strengthens the accountability and transparency of SBA’s Economic Injury Disaster Loan (EIDL) program and makes other commonsense improvements like removing the Trump Administration’s arbitrary \$150,000 cap on EIDL loans.
- **Helping minority-owned businesses respond to COVID-19.** HEROES 2.0 provides emergency grants to minority business enterprises through the Minority Business Development Agency (MBDA). The legislation also formally and permanently establishes MBDA and gives it the tools to carry out its mission to help minority entrepreneurs start and grow businesses.