

*“Economic Aid to Hard-Hit Small Businesses, Nonprofits, and Venues”*

**SECTION-BY-SECTION**

**Division N, Title III: Continuing the Paycheck Protection Program and Other Small Business Support**

*(starts on p. 2042 of the attached formatted bill text)*

**Section 301; 302: Short Title; Definitions.**

**Section 303: Emergency Rulemaking Authority.**

- Requires the SBA Administrator to establish regulations to carry out this title no later than 10 days after enactment, which is the date of the President’s signature.

**Section 304: Additional Eligible Expenses.**

- Makes the following expenses allowable and forgivable uses for Paycheck Protection Program (PPP) funds:
  - Covered expenditures for operations. Payment for any software, cloud computing, and other human resources and accounting needs.
  - Covered property damage costs. Costs related to property damage due to public disturbances that occurred during 2020 that are not covered by insurance.
  - Covered supplier costs. Payments to a supplier pursuant to a contract, purchase order, or order for goods that was in effect prior to taking out the loan and was essential to the recipient’s operations at the time at which the expenditure was made. Supplier costs of perishable goods can be made before or during the life of the loan.
  - Covered worker protection expenditure. Investments in personal protective equipment and other adaptive costs to help a loan recipient comply with federal health and safety guidelines or any equivalent State and local guidance related to COVID-19 during the period between March 1, 2020, and the end of the national emergency declaration.
- Allows loans made under PPP before, on, or after the enactment of this act to be eligible to utilize the expanded forgivable expenses except borrowers that already had their loans forgiven.

**Section 305: Strengthened Hold Harmless.**

- Provides that a lender may rely on any certification or documentation submitted by a borrower for an initial or second draw PPP loan and specifies that no enforcement action may be taken against the lender and that the lender shall not be subject to any penalties relating to loan origination or forgiveness if (1) the lender acts in good faith relating to loan origination or forgiveness; and (2) all relevant federal, state, local and other statutory and regulatory requirements are satisfied.

**Section 306: Selection of Covered Period for Forgiveness.**

- Allows the borrower to elect a covered period ending at the point of the borrower’s choosing between 8 and 24 weeks after loan origination.

**Section 307: Simplified Application.**

- Creates a simplified application process for loans under \$150,000 such that:
  - A borrower shall receive forgiveness if a borrower signs and submits to the lender a certification that is not more than one page in length that includes: (1) a description of the number of employees the borrower was able to retain because of the covered loan; (2) the estimated total amount of the loan spent on payroll costs; and, (3) the total loan amount. The borrower must also attest that the borrower accurately provided the required certification and complied with PPP loan requirements.

The SBA must provide this certification form within 24 days of enactment and may not require additional materials unless necessary to substantiate revenue loss requirements or satisfy relevant statutory or regulatory requirements. Additionally, borrowers are required to retain relevant records related to employment for four years and other records for three years. The Administrator may review and audit these loans to ensure against fraud.

- At the discretion of the borrower, the borrower may complete and submit demographic information for all PPP loans.
- The SBA must submit to the Senate and House Small Business Committees a report 45 days after enactment detailing their review and forgiveness audit plan to mitigate risk of fraud and provide monthly reviews and audit updates thereafter.
- These provisions apply to loans made before, on, or after the date of enactment, including the forgiveness of the loan.

**Section 308: Specific Group Insurance Payments as Payroll Costs.**

- Clarifies that other employer-provided group insurance benefits are included in payroll costs. This includes group life, disability, vision, or dental insurance.
- Applies to loans made before, on, or after the date of enactment, including the forgiveness of the loan.

**Section 309: Demographic Information.**

- Requires the SBA to include a voluntary demographic information section on the loan origination application for initial PPP loans and second draw PPP loans. All PPP loan applications after enactment must include this section.

**Section 310: Clarification of and Additional Limitations on Eligibility.**

- Clarifies that a business or organization that was not in operation on February 15, 2020 shall not be eligible for an initial PPP loan and a second draw PPP loan.
- Prohibits eligible entities that receive a grant under the Shuttered Venue Operator Grants from obtaining a PPP loan.

**Section 311: Paycheck Protection Program Second Draw Loans.**

- Creates a second PPP loan called a “PPP second draw” loan for smaller and harder-hit businesses, with a maximum new loan amount of \$2 million.
- Eligibility. In order to receive a PPP loan under this section, an eligible entity must:
  - Employ not more than 300 employees;
  - Have used or will use the full amount of its first PPP loan; and
  - Demonstrate at least a 25% reduction in gross receipts in the first, second, or third quarter of 2020 relative to the same 2019 quarter. Provides applicable timelines for businesses that were not in operation in Q1, Q2, Q3, and Q4 of 2019. Applications submitted on or after January 1, 2021 are eligible to utilize the gross receipts from the fourth quarter of 2020.
- Eligible entities include businesses, certain non-profit organizations, housing cooperatives, veterans’ organizations, tribal businesses, self-employed individuals, sole proprietors, independent contractors, and small agricultural co-operatives.
- Ineligible entities include: (1) entities listed in 13 C.F.R. 120.110 and subsequent regulations except entities which have otherwise been made eligible by statute or PPP implementation guidance, including nonprofits and religious organizations; (2) entities involved in political and lobbying activities including engaging in advocacy in areas such as public policy or political strategy or otherwise describes itself as a think tank in any public document, entities affiliated with entities in the People’s Republic of China; (3) registrants under the Foreign Agents Registration Act; and, (4) entities that receive a grant under the Shuttered Venue Operator Grant program.
- Loan terms. In general, borrowers may receive a loan amount of up to 2.5X the average monthly payroll

costs during the year prior to the loan or the previous calendar up to a maximum of \$2 million, subject to the following exceptions:

- Seasonal employers may calculate their maximum loan amount based on a 12-week period beginning February 15, 2019 through February 15, 2020.
  - New entities may receive loans of up to 2.5X the sum of their average monthly payroll costs.
  - Entities in industries assigned to NAICS code 72 (Accommodations and Food Services) may receive loans of up to 3.5X average monthly payroll costs.
  - Businesses with multiple locations that are eligible entities under the initial PPP requirements may employ not more than 300 employees per physical location.
  - Waiver of affiliation rules that applied during initial PPP loans apply to a second loan.
  - An eligible entity may only receive one PPP second draw loan.
  - Fees are waived for both borrowers and lenders.
  - For loans of not more than \$150,000, the entity may submit a certification attesting that the entity meets the revenue loss requirements on or before the date the entity submits its loan forgiveness application and non-profit and veterans' organizations may utilize gross receipts to calculate their revenue loss standard.
- Loan forgiveness. Borrowers of a PPP second draw loan are eligible for loan forgiveness equal to the sum of their payroll costs, as well as covered mortgage, rent, and utility payments, covered operations expenditures, covered property damage costs, covered supplier costs, and covered worker protection expenditures incurred during the covered period. Full forgiveness will still require the same 60/40 allocation between payroll and non-payroll costs that applies to initial PPP loans.
  - Lender eligibility. A lender approved to make loans under initial PPP loans may make covered loans under the same terms and conditions as the initial loans.
  - Lender compensation. The Administrator is authorized to reimburse a lender as follows: (1) For loans up to \$50,000, the lender processing fee will be the lesser of 50% of the principal amount or \$2,500; (2) for loans between \$50,000 and \$350,000, the lender fee will be 5%; and, (3) for loans \$350,000 and above, the lender fee will be 3%.
  - Guidance to prioritize underserved communities. The Administrator is directed to issue guidance addressing barriers to access to capital for underserved communities no later than 10 days after enactment.
  - Standard Procedures. SBA is directed to allow lenders to approve loans made under this paragraph utilizing existing program guidance and standard operating procedure, to the maximum extent possible, as the standard SBA 7(a) program.
  - Churches and religion organizations. The statute expresses the sense of Congress that the Administrator's guidance clarifying the eligibility of churches and religious organizations was proper and prohibits the application of regulations otherwise rendering ineligible businesses principally engaged in teaching, instructing, counseling, or indoctrinating religion or religious beliefs. It also codifies that the prohibition on eligibility in 13 CRF 120.110(k) shall not apply for initial and second draw loans.
  - Application of Exemption Based on Employee. Existing safe harbors on restoring FTE and salaries and wages are extended. Specifically, the statute applies the rule of reducing loan forgiveness for the borrower reducing the number of employees retained and reducing employees' salaries in excess of 25%. Allows the SBA and Treasury Department to jointly modify any date in section 7(a)(d) consistent with the purposes of PPP.

### **Section 312: Increased Ability for Paycheck Protection Program Borrowers to Reapply for a PPP Loan or Request an Increase in Loan Amount**

- Requires the Administrator to release guidance to lenders within 17 days of enactment that allows borrowers that returned all or part of their PPP loan to reapply for the maximum amount applicable on loans where forgiveness has not been paid. Additionally, this section allows borrowers whose loan calculations have increased due to changes in interim final

rules to work with lenders to modify their loan amounts regardless of whether the loan has been fully disbursed, or whether SBA Form 1502 already has been submitted.

**Section 313: Calculation of Maximum Loan Amount for Farmers and Ranchers under the Paycheck Protection Program.**

- Establishes a specific loan calculation for the first round of PPP loans for farmers and ranchers that: (1) operate as a sole proprietor, independent contractor, self-employed individual; (2) report income and expenses on a Schedule F; and (3) were in business as of February 15, 2020. These entities may utilize their gross income in 2019 as reported on a Schedule F. Lenders may recalculate loans that have been previously approved to these entities if they would result in a larger PPP loan.
- Applies to PPP loans before, on, or after the date of enactment, except for loans that have already been forgiven.

**Section 314: Farm Credit System Institutions.**

- Allows Farm Credit System Institutions to be eligible to make loans under PPP. Also allows for a zero risk weight for PPP loans and aligns eased requirements for Farm Credit System Institutions with those of other PPP lenders.
- Applies to any loan made before, on or after enactment including the forgiveness of the loan.

**Section 315: Definition of a Seasonal Employer.**

- Defines a seasonal employer to be an eligible recipient which: (1) operates for no more than seven months in a year; or, (2) earned no more than 1/3 of its receipts in any six months in the prior calendar year.
- Applies to any loan made before, on or after enactment including the forgiveness of the loan.

**Section 316: Housing Cooperatives.**

- Extends PPP eligibility to housing cooperatives defined in section 216(b) of the Internal Revenue Code of 1986 that employ no more than 300 employees.

**Section 317: Eligibility of News Organizations for Loans under the Paycheck Protection Program.**

- Makes eligible FCC license holders and newspapers with more than one physical location, as long as the business has no more than 500 employees per physical location or meets the applicable SBA size standard; and makes eligible section 511 public colleges and universities that have a public broadcasting station if the organization certifies that the loan will support locally focused or emergency information.
- Waives affiliation rules for newspapers, TV and radio broadcasters, and public broadcasters, as long as the organization has no more than 500 employees per physical location or meets the applicable SBA size standard.
- Waives the prohibition against publicly-traded news organizations being eligible if the business certifies that the loan will support locally focused or emergency content.

**Section 318: Eligibility of 501(c)(6) and Destination Marketing Organizations for Loans Under the Paycheck Protection Program.**

- Expands eligibility to receive a Paycheck Protection Program loan to include the following organizations:
  - 501(c)(6) organizations if:
    - The organization does not receive more than 15% of receipts from lobbying;
    - The lobbying activities do not comprise more than 15% of activities;
    - The cost of lobbying activities of the organization did not exceed \$1,000,000 during the most recent tax year that ended prior to February 15, 2020 and
    - The organization has 300 or fewer employees.
    - The organization is not a professional sports leagues or organization with the purpose of

- promoting or participating in a political campaign or other political activities.
- Destination Marketing Organizations if:
  - The organization does not receive more than 15% of receipts from lobbying;
  - The lobbying activities do not comprise more than 15% of activities;
  - The organization has 300 or fewer employees; and
  - The destination marketing organization is registered as a 501(c) organization, a quasi-government entity, or a political subdivision of a state or local government.

**Section 319: Prohibition on Use of Loan Proceeds for Lobbying Activities.**

- Prohibits any eligible entity from using proceeds of the covered loan for lobbying activities, as defined by the Lobbying Disclosure Act; lobbying expenditures related to state or local campaigns; and expenditures to influence the enactment of legislation, appropriations, or regulations.

**Section 320: Bankruptcy Provisions.**

- Establishes a special procedure in the bankruptcy process if the Administrator determines certain small business debtors are eligible for PPP. This procedure requires court approval for PPP loans to these debtors and requires any such loan be given a super-priority claim in the bankruptcy process, providing additional protection to taxpayers and participating banks. The provisions in this section would take effect only upon a written determination by the Administrator that certain small business debtors are eligible for PPP loans and would sunset two years after the date of enactment.

**Section 321: Oversight.**

- Requires the SBA to comply with GAO requests within 15 days and requires the SBA to submit a detailed justification to Senate and House Small Business Committees if they are unable to comply with the request. It also would require the Secretary of the Treasury and SBA Administrator to testify within 120 days of enactment of this Act and not less than twice per year for the next two years to the Senate and House Small Business Committees.

**Section 322: Conflicts of Interest.**

- Requires the President, Vice President, the head of an Executive department, or a Member of Congress as well as their spouses that has received a PPP loan to disclose this status at forgiveness or within 30 days thereafter. It would also prohibit the covered individuals from receiving a loan in the future.

**Section 323: Commitment Authority and Appropriations.**

- Extends to March 31, 2021, the authority to make commitments under both the extension of round one of PPP and the Second Draw of PPP.
- Sets the joint authorization level for both round one of PPP and the Second Draw of PPP at \$806.45 billion.
- Provides clarifying language that bifurcates regular 7(a) and PPP loans (in 7(a) (36) and (37)) to ensure the continued operation of the 7(a) program
- Sets regular 7(a) authorization cap at \$75 billion, effective from the date of enactment through September 30, 2021.
- Clarifies that the secondary market cap for FY21 is set to \$100 billion for ALL 7(a) loans.
- Provides direct appropriations of:
  - \$284.45 billion for PPP, including the following set-asides:
    - Lenders:
      - \$15 billion for PPP loans (initial and second draw) issued by community financial institutions, including community development financial institutions (CDFIs) and minority depository intuitions (MDIs);
      - \$15 billion for PPP loans (initial and second draw) issued by certain small

depository institutions.

- Borrowers:
  - \$35 billion for first-time borrowers, \$15 billion of which for smaller, first-time borrowers with 10 or fewer employees, or loans less than \$250,000 in low-income areas;
  - \$25 billion for second draw PPP loans for smaller borrowers with 10 or fewer employees, or loans less than \$250,000 in low-income areas.
- After 25 days, the SBA Administrator may adjust the set-asides as necessary.
- \$25 million for the Minority Business Development Centers program under the Minority Business Development Agency (MBDA);
- \$50 million for PPP auditing and fraud mitigation purposes;
- \$20 billion for the Targeted EIDL Advance program, of which \$20 million for the Inspector General;
- \$57 million for the Microloan program as described in section 329;
- \$1.9 billion to carry out sections 326, 327, and 328, which are the regular 7(a) and 504 stimulus provisions for increased guarantees, increased Express loan size, and fee waivers;
- \$3.5 billion for the Debt Relief program as described in section 325;
- \$15 billion for grants for live venues as described in section 324.

#### **Section 324: Direct Grants for Shuttered Venue Operators.**

- Authorizes \$15 billion for the SBA to make grants to eligible live venue operators or promoters, theatrical producers, live performing arts organization operators, museum operators, motion picture theatre operators, or talent representatives who demonstrate a 25% reduction in revenues.

#### **Section 325: Extension of Section 1112 Payments, the debt relief program.**

- **Provides \$3.5 billion in funding for extension of Section 1112 payments—appropriations available through September 30, 2021.**
- Resumes the payment of principal and interest (P&I) on small business loans guaranteed by the SBA under the 7(a), 504 and Microloan programs, established under Section 1112 of the CARES Act.
- Provides that all borrowers with qualifying loans approved by the SBA prior to the CARES Act will receive an additional three months of P&I, starting in February 2021. Going forward, those payments will be capped at \$9,000 per borrower per month.
- Provides that, after the three-month period described above, borrowers considered to be underserved—i.e., the smallest and hardest-hit by the pandemic—will receive an additional five months of P&I payments, also capped at \$9,000 per borrower per month. These include:
  - Borrowers with SBA microloans or 7(a) Community Advantage loans
  - Borrowers with any 7(a) or 504 loan in the hardest-hit sectors, as measured by the severity of sector-wide job losses since the start of the pandemic, including all those belong to 2- and 3-digit NAICS categories with the most severe job losses since the start of the pandemic: accommodation and food services (72); arts, entertainment, and recreation (71); educational services (61); mining and logging (213); apparel (315); clothing and clothing accessory stores (448); sporting goods, hobby, book, and music stores (451); air transportation (481); transit and ground passenger transportation (485); scenic and sightseeing transportation (487); publishing industries, except Internet (511); motion picture and sound recording industries (512); broadcasting, except Internet (515); rental and leasing services (532); and personal and laundry services (812).
- Provides SBA payments of P&I on the first 6 months of newly approved loans will resume for all loans approved between February 1 and September 30, 2021, also capped at \$9,000 per month.

- Specifies that if the SBA projects that appropriations provided for the debt relief program are insufficient to fund the extensions provided, the Administrator may proportionally reduce the number of months provided in each extension.
- Clarifies eligibility and increases program integrity:
  - SBA payments should be made on any loan approved before the applicable deadline, and debt relief payments should be made only once the loan is fully disbursed.
  - SBA may establish a minimum loan maturity period for each loan product covered under this section to prevent program abuse.
  - Any business or applicant may only receive P&I payments for only one loan approved after CARES Act enactment.
- Requires that SBA place program information on its website, conduct outreach to all borrowers, report monthly to Congress on program spending, and educate lenders, borrowers, SBA district offices, and resources partners about the program.

[Division N, Title II, Subtitle B, **Section 278: Clarification of Tax Treatment of Certain Loan Forgiveness and Other Business Financial Assistance.**]

- Specifies that all Section 1112 payments are considered non-taxable income, which shall apply both retroactively to any payment made to any borrower starting with the enactment of Section 1112 of the CARES Act and prospectively.

**Section 326: Modifications to 7(a) Loan Programs: Increased Guarantees and Increased Express Loan Size**

- Increases to 90% the loan guarantee on 7(a) loans, including for Community Advantage loans, through September 30, 2021.
- Increases the Express Loan amount from \$350,000 to \$1 million for the period January 1, 2021 through September 30, 2021, with that amount reverting, on a permanent basis to \$500,000 beginning October 1, 2021.
- From the date of enactment through September 30, 2021, temporarily increases from 50% to 75% the Express Loan guaranty percentage for loans of \$350,000 and less. The guarantee percentage remains at 50% for SBA Express loans over \$350,000. On October 1, 2021, the guarantee reverts to 50% for all Express Loans.

**Section 327: Temporary Fee Reductions for 7(a) and 504**

- Waives lender and borrower fees for both the 7(a) and 504 loan programs through September 30, 2021. [For 7(a) this includes the up-front guaranty fee and the ongoing fee.]

**Section 328: Low-Interest Refinancing.**

- Enhances the 504 refinancing rules in order to create reciprocity for refinancing between 504 and 7(a) programs.
- Grants authority through September 30, 2023 for SBA to establish a 504 Express Loan Program for the most experienced successful 504 lenders to expedite 504 loans of less than \$500,000.

**Section 329: Recovery Assistance under the Microloan Program.**

- Enhances the microloan program to increase access to micro capital and technical assistance under the program for businesses impacted by the COVID-19 pandemic.
- Temporarily increases the amount of time that borrowers can repay their loans from 6 to 8 years.
- Temporarily increases the outstanding aggregate amount each intermediary may borrow from \$6 million to \$10 million to expand their capacities to deploy more capital to small businesses.

- Allows intermediaries to access more technical assistance funding if they serve rural areas.
- Maximizes flexibility and reduces red tape for intermediaries by temporarily waiving the limitations for the technical assistance grants and the 50% limitation on pre-loan technical assistance.
- Provides \$50 million in additional funding for Microloan Technical Assistance funding for lenders and \$7 million to leverage about \$64 million more in microloans to businesses.

**Section 330: Extension of Participation in 8(a) Program.**

**Section 331: Targeted EIDL Advance for Small Business Continuity, Adaptation, and Resiliency.**

- Provides additional targeted funding for eligible entities located in low-income communities through the EIDL Advance program included in Section 1110 of the CARES Act.
- Makes entities in low-income communities that received an EIDL Advance under Section 1110 of the CARES Act eligible to receive an amount equal to the difference of what the entity received under the CARES Act and \$10,000.
- Provides \$10,000 grants to eligible applicants in low-income communities that did not secure grants because funding had run out.

**Section 332: Emergency EIDL Grants.**

- Extends covered period for Emergency EIDL grants through December 31, 2021.
- Allows more flexibility for the SBA to verify that Emergency EIDL grant applicants have submitted accurate information.
- Extends time for SBA to approve and disburse Emergency EIDL grants from 3 to 21 days.

**Section 333: Repeal of EIDL Advance Deduction.**

- Repeals section 1110(e)(6) of the CARES Act, which requires PPP borrowers to deduct the amount of their EIDL advance from their PPP forgiveness amount.
- Establishes the Sense of Congress that EIDL Advance borrowers should be made whole without regard to whether those borrowers are eligible for PPP forgiveness.
- Requires the Administrator to issue rules that ensure borrowers are made whole if they received forgiveness and their EIDL grant amount was deducted from the forgiveness amount paid.

**Section 334: Flexibility in Deferral of Payments of 7(a) Loans.**

- Creates parity between bank-held and secondary market-owned 7(a) loans to seek up to a 1-year deferral.
- Requires SBA to buy back loans if secondary market investors refuse to provide the extended deferral unless the SBA determines the extended deferral would cause a positive subsidy for the Secondary Market Guarantee Program.

**Section 335: Documentation Required for Certain Eligible Recipients.**

- Allows more flexibility for the Administration to accept documentation beyond that enumerated in the CARES Act to determine eligibility for sole proprietors and the self-employed.

**Section 336: Election of 12-week Period by Seasonal Employers.**

- Expands the seasonal period to any 12-weeks between February 15, 2019 and February 15, 2020, elected by the borrower.
- Applies to loans before, on, or after the date of enactment, except for loan for which the borrower has already received forgiveness.



**Section 337: Inclusion of Certain Refinancing in Nonrecourse Requirements.**

- Clarifies non-recourse language to include all eligible uses of proceeds (e.g. refinancing of EIDL loans) to provide the same protections to borrowers if they elect to refinance an EIDL loan

**Section 338: Application of Certain Terms through Life of Covered Loan.**

- Clarifies that provisions related to (1) fee waivers; (2) personal guarantee waivers; and (3) deferral eligibility continues past the covered period and attaches for the life of the PPP loan.

**Section 339: Interest Calculation on Covered Loans.**

- Clarifies the interest rate on PPP loans is non-compounding and non-adjustable for all new initial PPP loans and second draw PPP loans.

**Section 340: Reimbursement for Processing.**

- Provides for PPP lender reimbursement by SBA for new PPP loans.
- Establishes a tiered reimbursement rate for PPP loans: (1) Loans of less than \$50,000 that is equal to the lesser of 50% of the loan principal or \$2,500; (2) loans of more than \$50,000 and not more than \$350,000 equal to 5% of the loan principal; (3) loans of more than \$350,000 and less than \$2,000,000 equal to 3% of the loan principal; and (4) loans of more than \$2,000,000 equal to 1%.
- Clarifies lender reimbursement by SBA shall be made no later than 5 days after the reported disbursement (prior language did not include the word “reported”).
- Prohibits agencies from requiring lender to repay to SBA its processing fee in any claw-back process, except in cases of lender fraud.
- Clarifies that PPP borrowers who knowingly retained a loan agent may not pay agent fees out of the PPP proceeds. This applies to PPP loan before, on, or after the date of enactment, including during forgiveness of such loan.
- Clarifies that a lender shall only be responsible for paying fees to an agent when the lender directly contracted with the agent for any work performed.

**Section 341: Duplication Requirements for Economic Injury Disaster Loan Recipients.**

- Clarifies text from underlying CARES to permits borrowers to receive both an EIDL and a PPP loan as long as they are for different purposes by specifying that the period extends from January 31, 2020 through the date on which PPP loans are made available. (Previously the dates referenced in underlying CARES did not technically permit for this duplication.)

**Section 342: Prohibition of Eligibility for Publicly Traded Companies.**

- Excludes publicly traded companies from PPP eligibility.

**Section 343: Covered Period for New PPP Loans.**

- Extends the covered period for all first draw PPP loans through March 31, 2021.
- Applies to loans made before, on, or after the date of enactment, including the forgiveness of such loan.

**Section 344: Applicable Periods for Proration.**

- Clarifies that the applicable period for employee’s salaries of \$100,000 is to be calculated on an annualized basis as prorated during the period in which compensation is paid or incurred.

**Section 345: Extension of Waiver of Matching Funds Requirement under the Women’s Business Center (WBC).**

- Extends CARES Act waiver of WBC matching funds requirement through June 30, 2021.

**Section 346: Clarification of Use of CARES Act Funds for Small Business Development Centers (SBDCs).**

- Clarifies that any awards made under this bill are in addition to, and separate from, any amounts appropriated under section 21 of the Small Business Act, and any award made under this bill may be used to complement and support such grant. CARES Act funds and annually appropriated funds can be used and tracked together as one funding stream.
- Prioritizes SBDCs impacted by this accounting issue.

**Section 347: GAO Report**

- Requires the GAO to report to the House and Senate Small Business Committees no later than 120 days after the date of enactment on the SBA’s use of administrative funds made through supplemental appropriations during FY 2020.

**Section 348: Effective Date; Applicability.**

- Clarifies that, except as noted, the amendments made by this bill shall take effect on the date of enactment and apply to loans and grants made on or after the date of enactment.