

Support for People and Businesses Impacted by COVID-19

On Friday March 26, 2020 the Federal CARES Act (Coronavirus Aid, Relief and Economic Security Act) was signed into law. This economic stimulus bill will provide supports to individuals and businesses impacted by COVID-19. Many Federal Agencies are still working out the details to the program and more information will follow. Updated below are two publicized resources that are available now or will be in the coming week. As more programs are unrolled, we'll be sure to share these resources with you and post to lewistonmaine.gov. We also encourage you to check SBA.gov as well as maine.gov for updates on new resources for small businesses.

CARES Act expands SBA Economic Injury Disaster Loan (EIDL) Program to include Grants

As part of the EIDL program, SBA is offering up to \$10,000 emergency loan advances for working expenses that may not need to be paid back. The goal of the program is to assist small business owners in meeting immediate needs and maintaining payroll.

In response to the COVID-19 pandemic, small business owners in all U.S. states, Washington D.C., and territories are eligible to apply for an Economic Injury Disaster Loan advance of up to \$10,000. The SBA's Economic Injury Disaster Loan program provides small businesses with working capital loans of up to \$2 million that can provide vital economic support to small businesses to help overcome the temporary loss of revenue they are experiencing. The SBA's Economic Injury Disaster Loan program provides small businesses with working capital loans of up to \$2 million that can provide vital economic support to small businesses to help overcome the temporary loss of revenue they are experiencing.

The loan advance will provide economic relief to businesses that are currently experiencing a temporary loss of revenue. Funds will be made available within three days of a successful application, and this loan advance will not have to be repaid.

As part of the CARES Act many of the barriers to applying have been reduced or eliminated. Depending on loan amounts, personal guarantees or collateral may not be required.

Applications may be made directed through SBA's website:
<https://covid19relief.sba.gov/#/>

Paycheck Protection Program- Coming Soon to Local Lenders

The Paycheck Protection Program is designed to provide a direct incentive for small businesses to keep their workers on payroll by providing each small business a loan up to \$10 million for payroll and certain other expenses.

If all employees are kept on payroll for eight weeks, SBA will forgive the portion of the loans used for payroll, rent, mortgage interest, or utilities. Up to 100 percent of the loan is forgivable.

The Payroll Protection loans will be available through local lenders. It may take 1-2 weeks for banks to set this program up, however, it may be helpful to reach out to your existing lenders now so they can alert you when they are ready to start making loans. The U.S. Chamber of Commerce has published the below resource guide to help small businesses understand and prepare for this program.

https://www.uschamber.com/sites/default/files/023595_comm_corona_virus_smallbiz_loan_final.pdf

Changes to Unemployment Insurance Policies

The CARES Act expands federal [unemployment insurance](#) (UI) in several primary areas:

- Creates a Pandemic Unemployment Assistance (PUA) program that provides federally funded unemployment benefits to many — though certainly not all — workers who lose their jobs but are ineligible for the state’s regular UI program. This includes workers lacking an extensive enough work history or looking for part-time work as well as those who have exhausted their regular UI benefits. Workers can receive up to 39 weeks of PUA benefits. This program is only in effect through December 31.
- *Provides a \$600 per week, federally funded benefit increase through July 31 for recipients of PUA or regular UI.* This sizable increase will help workers and their families stay afloat and boost overall consumer demand to mitigate the downward economic trends.
- *Extends the maximum number of weeks of regular UI benefits.* For those eligible for regular UI, the bill allows states to provide an additional 13 weeks of federally funded extended benefits; workers who exhaust those benefits can receive PUA benefits, but only as long as that program is in place.
- Provides funding to states that have approved short-time compensation (work-sharing) programs, in which employers reduce certain employees’ hours in lieu of layoffs and the affected workers receive partial UI benefits. The bill also provides funding to help states establish such programs.

As a reminder, on March 17th the Maine Legislature passed emergency legislation that will eliminate the one week waiting period to receive benefits for employees laid off because of COVID-19 impacts. Businesses making layoffs should call the Department of Labor at 1 800-593-7660 or by their website at

https://www.maine.gov/labor/for_employers/index.shtml. Doing so will help expedite payments to employees.

Businesses that have already laid off employees should be in touch with MDOL to make them aware of the COVID-19 related layoffs. MDOL will provide instruction to the employer that can be shared with employees who have been laid off to expedite payments.

For businesses worried about how the increase in unemployment will harm their rating, the expanded legislation looks to hold employers harmless.

WHO IS COVERED: The proposal would temporarily revise eligibility requirements to include situations not typically covered, such as:

- An employer temporarily ceases operation due to COVID-19
- An individual is quarantined with the expectation of returning to work once the quarantine is over
- An individual leaves employment due to risk of exposure or infection
- An individual leaves employment to care for a family member

LOCAL RESOURCES TO CONSIDER

Contact your financial institution: Your own financial institution may be your best resource and wants to hear from you. Banks and credit unions are given authority to defer required payments, waive fees and make accommodations. Your financial institution may also be able to quickly provide a line of credit or short-term loan based on your existing relationship. Finally, letting the institution know of financial distress early is the best course of action.

Forbearance on City Loans

For businesses and individuals that have loans through the City's Economic and Community Development Department programs the City will consider providing forbearance on payments due upon request of the borrower. If you want to request forbearance please be in touch with Cathy Lekberg at 513-3000 ext. 3234 or clekberg@lewistonmaine.gov .

Tax Relief

On March 17 the Lewiston City Council approved a Resolve changing the due date for the March 15th real and personal property tax bill to June 1, 2020. This was done to allow businesses to conserve cash available to maintain their operations, rather than to meet their tax obligations, without incurring an interest penalty for unpaid taxes.

Small Business Counseling/Advising

Maine's Small Business Development Centers offers free, confidential business advising. They have switched to a video-conference model and have experienced business advisors standing by to help. You can access these resources through our local [Small Business Development Center at AVCOG](#).

SBA Microloans

The Androscoggin Valley Council of Governments (AVCOG) continues to offer the [SBA Microloan program](#), which still follows the same criteria for application that it did prior.

For individuals, employees and self-employed:

[COVID-19 Relief Consumer Loan Program](#) provides no- to low-interest consumer loans through a loan guarantee program involving Maine's banks, credit unions, and FAME. Interested borrowers should contact their local bank or credit union to see if the lender is offering this program and to apply. The program offers loans of up to \$5,000 (minus any unemployment benefits received by borrower). A borrower may apply for up to three (3) loans, one per each 30-day period.

Essential Business Designation Requests

On March 24, 2020, Governor Janet Mills issued an Executive Order mandating that all non-essential, public-facing businesses in Maine such as gyms, hair salons, theaters, casinos, shopping malls and others close their physical workplaces and facilities to workers, customers, and the public effective March 25, 2020 at 12:01 a.m. for a period of 14 days through April 8, 2020 at 12:01 a.m.

If the function of your business is not listed in the directive, but you believe that it is essential or it is an entity providing essential services or functions, you may [request designation as an essential business through DECD](#). Requests by businesses to be designated an essential function should only be made if they are NOT covered by the guidance.

To find a list of essential businesses visit:

<https://www.maine.gov/governor/mills/sites/maine.gov.governor.mills/files/documents/Essential%20Business%20Operations%20Definitions.pdf>

#LAadapts Provides Free Directory for your Business

#LAadapts is a campaign of the Lewiston Auburn Metropolitan Chamber of Commerce to help all area businesses, members and non-members, to list on the directory changes to your business operations during the State of Emergency and how people can support your business during this time. To post your business and service changes, as well as access resources from the Chamber visit LAadapts.com

April 1, 2020