

CONSOLIDATED APPROPRIATIONS ACT, 2021 (CAA) SUMMARY



Unless otherwise stated under “Key Provisions,” the sections became effective upon enactment on December 27, 2020.

Updated 12/28/20

| SECTION | KEY PROVISIONS | EXPIRATION DATE | AGENCY AND IMPLEMENTING REGULATIONS |
|---|---|--|--|
| Paycheck Protection Program Amendments Division N, Title III | | | |
| Section 304 - Additional Eligible Expenses. | <p>Adds other expenses that Paycheck Protection Program (PPP) funds can be used for including:</p> <ul style="list-style-type: none"> • Certain operational expenses such as payment for software or cloud computing service to facilitate operations, payroll processing and tracking; human resources, sales and billing functions, or accounting/tracking of supplies, inventory, records and expenses; • Covered property damage coverage costs related to vandalism or looting due to public disturbances occurring during 2020 that were not covered by insurance or other compensation; • Covered supplier costs, specifically goods that are essential to the business’s operations and made under a contract or purchase order in effect before the covered period applied for in the loan or during the covered period if for perishable goods, and • Certain worker protection expenses, such as those incurred to comply with guidance from the Department of Health and Human Services (HHS), the Centers for Disease Control, the Occupational Safety and Health Administration, or equivalent requirements set by state or local governments between March 1, 2020 and the date of the end of the COVID-19 national emergency. These could include adding a drive-through window, air ventilation or filtration systems, physical barriers like sneeze guards, expanding space, and personal | The date the national emergency for COVID-19 ends. | Small Business Administration (SBA), Department of Treasury (Treasury). The SBA must issue implementing regulations by January 6, 2020. |

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| <p>Section 304 - Additional Eligible Expenses. (cont'd)</p> | <p>protective equipment (PPE) as determined by the Secretary of HHS or the Department of Labor</p> <p>Includes certain technical amendments to move parts of the CARES Act into the <i>Small Business Act</i>, 15 U.S.C. 636(a) including statutory definitions of the terms above.</p> <p>These amendments are effective as if included in the CARES Act and apply to existing PPP loans other than those which have already been forgiven.</p> | <p>The date the national emergency for COVID-19 ends.</p> | <p>Small Business Administration (SBA), Department of Treasury (Treasury). The SBA must issue implementing regulations by January 6, 2020.</p> |
| <p>Section 305 - Hold Harmless.</p> | <p>Allows lenders to rely on the certification or documentation submitted by PPP loan applicants for any initial or second draw PPP loan if the information is submitted in accordance with statutory requirements, regulations and guidance and attests that the applicant has accurately provided the certification or documentation on accordance with these requirements.</p> <p>Lenders that rely in such certification or documentation shall not be subject to any penalties relating to the origination or forgiveness of the initial or second draw PPP loan if the lender acted in good faith and all other relevant Federal, state, local and other statutory and regulatory requirements are met with respect to the loan.</p> <p>These amendments are effective as if included in the CARES Act and apply to existing PPP loans including those which have already been forgiven.</p> | <p>None specified.</p> | <p>Small Business Administration (SBA), Department of Treasury (Treasury). The SBA must issue implementing regulations by January 6, 2020.</p> |

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| <p>Section 306 - Selection of Covered Period for Forgiveness.</p> | <p>The covered period for forgiveness will be from the origination date of a covered loan and ending on a date selected by the loan recipient that is between 8 weeks and 24 weeks after the origination date</p> | <p>None specified.</p> | <p>Small Business Administration (SBA), Department of Treasury (Treasury). The SBA must issue implementing regulations by January 6, 2020.</p> |
| <p>Section 307 - Simplified Forgiveness Application.</p> | <p>Loans Under \$150,000. Covered loans of no more than \$150,000 will be forgiven based on a simplified application. The SBA is required to create this application no later than 24 days from enactment of the Act, and the application shall:</p> <ul style="list-style-type: none"> • Be no more than 1 page in length; • Only require the applicant to provide a description of the number of employees retained due to the loan, estimated amount of the covered loan used on payroll costs and the total loan value; • Attests that the information provided is accurate, complies with applicable requirements, and the applicant will retain records of compliance for a four-year period for employment records and a three-year period for other records. <p>Other documentation will not be required at the time of application.</p> <p>The SBA will have the authority to review and audit covered loans and access any records. If there is fraud or material</p> | <p>None specified.</p> | <p>Small Business Administration (SBA), Department of Treasury (Treasury). SBA must implement within 24 days of enactment of this Act.</p> |

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| <p>Section 307 - Simplified Forgiveness Application. (cont'd)</p> | <p>noncompliance, the SBA can modify the amount of a covered loan and the amount forgiven.</p> <p>The application will also include an optional method for applicants to submit certain demographic information about owner of the entity (sex; race; ethnicity; veteran status).</p> <p>Loans Over \$150,000. The application will also include an optional method for applicants to submit certain demographic information about owner of the entity (sex; race; ethnicity; veteran status).</p> <p>The SBA is required to create an audit plan for such loans within 45 days of enactment. This includes policies and procedures for conducting audits and the metrics the SBA will use to determine which loans will be audited. This plan must be submitted to specific committees in Congress within 30 days of creation and provide updates on the SBA’s forgiveness review and audit activities on a monthly basis.</p> <p>These amendments are effective as if included in the CARES Act and apply to existing PPP loans including those which have already been forgiven.</p> | <p>None specified.</p> | <p>Small Business Administration (SBA), Department of Treasury (Treasury). SBA must implement within 24 days of enactment of this Act</p> |
| <p>Section 308 - Specific Group Insurance Payments as Payroll Costs.</p> | <p>Allows group life, disability, vision or dental insurance to be part of payroll costs.</p> <p>These amendments are effective as if included in the CARES Act and apply to existing PPP loans including forgiveness of such loans.</p> | <p>None specified.</p> | <p>Small Business Administration (SBA), Department of Treasury (Treasury). The SBA must issue implementing regulations by January 6, 2020.</p> |

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| <p>Section 309 - Demographic Information.</p> | <p>PPP loan applications must include a way for applicants to submit demographic information about the owner of the recipient including sex, race, ethnicity and veteran status. This is for loans applied for on or after the day this Act is enacted.</p> | <p>None specified.</p> | <p>Small Business Administration (SBA), Department of Treasury (Treasury). The SBA must issue implementing regulations by January 6, 2020.</p> |
| <p>Section 310 - Clarification of and Additional Limitations on Eligibility.</p> | <p>Businesses that were not in operation on February 15, 2020 are not eligible for a PPP loan.</p> <p>Entities that receive shuttered venue operator grants under this Act are not eligible for PPP loans.</p> <p>These amendments are effective as if included in the CARES Act and apply to existing PPP loans including the forgiveness of such loans.</p> | <p>None specified.</p> | <p>Small Business Administration (SBA), Department of Treasury (Treasury). The SBA must issue implementing regulations by January 6, 2020.</p> |
| <p>Section 311 - PPP Second Draw Loans.</p> | <p>Eligible Entities. An entity may be eligible for a “second draw” PPP loan if it meets the following conditions: (1) no more than 300 employees (or up to 500 employees if the entity has more than one location) and; (2) gross receipts are at least 25% lower compared to the gross receipts in the same quarter in 2019. An entity is only eligible to receive 1 second draw PPP loan and must have received an initial PPP loan, and has used or will use the full amount of the initial PPP loan proceeds.</p> <p>For entities that were not in business during the comparative quarter in 2019 the Act creates different timelines. For applications received on or after January 1, 2021 gross receipts from the fourth quarter of 2020 can be used.</p> | <p>September 30, 2021 or until expended.</p> | <p>Small Business Administration (SBA), Department of Treasury (Treasury). The SBA must issue implementing regulations by January 6, 2020. SBA must also issue guidance by January 6, 2020 on loan reimbursement on access to capital for certain classes of borrowers.</p> |

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| <p>Section 311 - PPP Second Draw Loans. (cont'd)</p> | <p>The Act codifies certain ineligible entities such as those listed in 13 C.F.R. 120.110 (entities engaged in lending; life insurance companies; certain gambling entities; those engaged in illegal activity; etc.) unless otherwise made eligible by statute or guidance), entities primarily engaged in political or lobbying activities, entities affiliated with the People’s Republic of China and registrants under the Foreign Agents Registration Act. Certain nonprofits and religious organizations are eligible.</p> <p>Loan Terms. Generally, the maximum loan amount is up to 2.5 times the average monthly payroll costs in the year prior to the loan, with a maximum amount of \$2 million.</p> <ul style="list-style-type: none"> • Entities in the accommodations and food services industry (NAICS code 72) may receive up to 3.5 times the average monthly payroll cost. • There is a separate calculation method for entities that did not exist in the one-year period before February 15, 2020. • There is a separate calculation method for seasonal employers, see Section 315 for more information on which employers are considered seasonal. • For loans under \$150,000 there is a simplified revenue certification. <p>The current waiver of the affiliation rules for accommodations and food services industry entities will be applicable to those with 300 or fewer employees (reduction from 500 employees).</p> <p>The same forgiveness provisions as for first draw PPP loans apply, in an amount equal to the sum of payroll and other covered costs during the covered period. Covered costs</p> | <p>September 30, 2021 or until expended.</p> | <p>Small Business Administration (SBA), Department of Treasury (Treasury). The SBA must issue implementing regulations by January 6, 2020. SBA must also issue guidance by January 6, 2020 on loan reimbursement on access to capital for certain classes of borrowers.</p> |

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| <p>Section 311 - PPP Second Draw Loans. (cont'd)</p> | <p>include those expanded by this Act such as operations expenditures and PPE. The cost allocation continues to be 60% payroll, 40% other covered costs. Borrowers may need to submit evidence of revenue loss at the time of loan forgiveness.</p> <p>Lender Eligibility and Reimbursement. Lenders already approved to make PPP loans are eligible to make second draw loans. For loans not more than \$50,000 the SBA shall reimburse lenders the lesser of 50% of the balance outstanding at disbursement or \$2,500. For loans over \$50,000 but under \$350,000, 5% of the balance outstanding at the time of disbursement and 3% of such balance for loans over \$350,000.</p> <p>Lenders are allowed, to the maximum extent practicable, to use existing SBA standard operating procedures (SOPs) for second draw PPP loans.</p> | <p>September 30, 2021 or until expended.</p> | <p>Small Business Administration (SBA), Department of Treasury (Treasury). The SBA must issue implementing regulations by January 6, 2020. SBA must also issue guidance by January 6, 2020 on loan reimbursement on access to capital for certain classes of borrowers.</p> |
| <p>Section 312 - Increased Ability for PPP Borrowers to Request an Increase in Loan Amount Due to Updated Regulations.</p> | <p>If a borrower of an initial PPP loan had not yet received forgiveness, or returned all or part of a PPP loan, the borrower could reapply for the maximum loan amount under the program as amended. Borrowers who would be eligible for more due to changes could work with lenders to modify their loan. The SBA shall issue rules or guidance clarifying this process. A borrower may reapply even if the initial covered loan has been fully disbursed, or the lender has submitted a 1502 report.</p> | <p>None specified.</p> | <p>Small Business Administration (SBA), Department of Treasury (Treasury). SBA must issue implementing regulations or guidance by January 13, 2020.</p> |

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| <p>Section 319 - Prohibition on Use of Loan Proceeds for Lobbying Activities.</p> | <p>PPP loan proceeds are prohibited from being used on lobbying activities as defined in the <i>Lobbying Disclosure Act</i>.</p> | <p>None specified.</p> | <p>Small Business Administration (SBA), Department of Treasury (Treasury). The SBA must issue implementing regulations by January 6, 2020.</p> |
| <p>Section 320 - Bankruptcy Provisions.</p> | <p>Creates a special process in bankruptcy law if the bankruptcy administrator determines the debtor is eligible for a PPP loan. Court approval would be required to make PPP loans to these debtors and PPP loans would receive a super-priority claim during bankruptcy to provide additional protections to taxpayers and participating lenders.</p> | <p>2 years after enactment.</p> | <p>Small Business Administration (SBA), Department of Treasury (Treasury). The SBA must issue implementing regulations by January 6, 2020.</p> |
| <p>Section 321 - Oversight.</p> | <p>Requires the SBA to comply with requests from the Government Accountability Office (GAO) within 15 days of such requests. If the SBA cannot comply in that timeframe, it must submit a detailed justification to Congress. The Secretary of the Treasury and the SBA Administrator would also be required to testify before certain committees in Congress within 120 days of enactment and at least twice per year for the next two years on the program.</p> | <p>2 years after enactment.</p> | <p>Small Business Administration (SBA), Department of Treasury (Treasury). No explicit requirement to issue regulations.</p> |

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| <p>Section 322 - Conflicts of Interest.</p> | <p>Requires disclosures for the President, Vice President, head of any Executive department (e.g. Department of Commerce), any member of Congress or the spouses of any of these individuals if they directly or indirectly own no less than 20% of an entity receiving a PPP loan. Such persons must disclose their applicable status when applying for forgiveness or within 30 days after. Such individuals are also prohibited from receiving PPP loans as of the date of enactment.</p> | <p>None specified.</p> | <p>Small Business Administration (SBA), Department of Treasury (Treasury). The SBA must issue implementing regulations by January 6, 2020.</p> |
| <p>Section 323 - Commitment Authority and Appropriations.</p> | <p>The PPP is extended until March 31, 2021. \$284.45 billion in funds are appropriated with some specific allocations such as:</p> <ul style="list-style-type: none"> • \$15 billion for smaller financial institutions (banks and credit unions under \$10 billion in assets); • \$15 billion for lenders like community development financial institutions and minority depository institutions; • \$35 billion for first time PPP borrowers; • \$20 billion for EIDL advances under section 331; and • \$25 billion for second draw PPP loans for borrowers with 10 or fewer employees or loans under \$250,000 in low-income areas. <p>Allocates \$25 million in funding for the Department of Commerce Minority Business Development Agency to assist minority businesses in responding to coronavirus including assisting in accessing government assistance relative to the pandemic.</p> | <p>September 30, 2021.</p> | <p>Small Business Administration (SBA), Department of Treasury (Treasury). The SBA may adjust these set asides after January 21, 2020, as necessary.</p> |

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| <p>Section 325 - Extension of the Debt Relief Program.</p> | <p>This section extends the SBA’s subsidy on certain loan payments made under <i>Small Business Act</i> section 7(a) and 504 loan programs. This does not include PPP loans. Under the CARES Act, the SBA paid for six months of principal, interest, and fees for covered loans in regular servicing status.</p> <p>All borrowers with qualifying loans approved by the SBA prior to the CARES Act can receive an additional three months of payments, starting in February 2021. Borrowers with loans in industries hardest hit by the pandemic such as food service and accommodation, entertainment and recreation, and entertainment, can receive an additional five months of payments. Further, a borrower of a covered loan approved before September 30, 2021 may also be eligible for six months of payments.</p> <p>Payments will now be capped at \$9,000 per covered loan per month. The SBA may require that amounts owed in excess of \$9,000 be deferred to the end of the loan period. These subsidy payments can be considered when underwriting a loan. By March 1, 2021, the SBA will transmit a list to each lender of covered loans that qualify for an extension of payment. A notification letter will be sent to all eligible borrowers within 30 days after enactment.</p> | <p>None specified.</p> | <p>Small Business Administration (SBA), Department of Treasury (Treasury). SBA must provide public information regarding the assistance modifications by January 10, 2020 and issue guidance by January 17, 2020.</p> |

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| Section 326 - Modifications to 7(a) Loan Programs. | <p>Increases the loan guarantee on 7(a) loans to 90%.</p> <p>Effective January 1, 2021, the loan guarantee for Express Loans of \$350,000 or less increases to 75%. Upon expiration, the loan guarantee decreases back to 50%.</p> <p>Effective October 1, 2021 reduces the maximum amount of an Express Loan from \$1 million to \$500,000.</p> | October 1, 2021. | Small Business Administration (SBA), Department of Treasury (Treasury). The SBA must issue implementing regulations by January 6, 2020. |
| Section 327 - Temporary Fee Reductions. | Temporarily waives administrative fees for the 7a loan program. Temporarily eliminates fees for the 504 Loan program. | September 30, 2021. | Small Business Administration (SBA), Department of Treasury (Treasury). The SBA must issue implementing regulations by January 6, 2020. |
| Section 331 - Targeted EIDL Advance for Small Business Continuity, Adaptions, and Resiliency. | <p>Borrowers located in low-income communities that received an emergency EIDL grant under the CARES Act may be eligible to receive an EIDL Advance in the amount equal to the difference of what the entity received under the CARES Act and \$10,000. Eligible entities are those that applied for an EIDL loan during the covered period in the CARES Act, are in a low-income community, have suffered an economic loss of greater than 30% and employ less than 300 people.</p> <p>The SBA will notify entities that received an EIDL Advance or applied for one and did not receive it because of the unavailability of funding. The SBA must prioritize the</p> | December 31, 2020 | Small Business Administration (SBA), Department of Treasury (Treasury). The SBA must issue implementing regulations by January 6, 2020. |

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| <p>Section 331 - Targeted EIDL Advance for Small Business Continuity, Adaptions, and Resiliency. (cont'd)</p> | <p>processing of requests for borrowers that did not receive the full amount over applicants that did not receive any EDIL Advance because the funding ran out.</p> | <p>December 31, 2020</p> | <p>Small Business Administration (SBA), Department of Treasury (Treasury). The SBA must issue implementing regulations by January 6, 2020.</p> |
| <p>Section 332 - Emergency EIDL Grants.</p> | <p>Extends the covered period for EIDL Advances through the end of 2021. Increases the amount of time SBA has to consider an EIDL application from 3 days to 21 days. SBA must notify an entity that it determines is not eligible and provide an explanation of the determination.</p> | <p>December 31, 2021</p> | <p>Small Business Administration (SBA), Department of Treasury (Treasury). The SBA must issue implementing regulations by January 6, 2020.</p> |
| <p>Section 333 - Repeal of EIDL Advance Deduction.</p> | <p>Repeals the section 1110(e)(6) of the CARES Act that required PPP borrowers to deduct the amount of an EIDL Advance from the PPP forgiveness amount.</p> <p>The SBA is required to issue rules that ensure all entities are treated equally regarding this amendment. The notice and comment period shall not apply to this rulemaking.</p> <p>This is effective as if included in the CARES Act.</p> | <p>None specified.</p> | <p>Small Business Administration (SBA), Department of Treasury (Treasury). The SBA must issue regulations by January 11, 2020.</p> |

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| <p>Section 334 - Flexibility in Deferral of Payments of 7(a) Loans.</p> | <p>Allows lenders to provide deferral of payments of principal and interest for a period of one year. The SBA may also allow lenders to provide an additional deferment period if justified by a borrower’s documentation. If a secondary market investor declines to approve such a deferral, the SBA shall exercise the authority to purchase that loan so that the borrower can receive that deferment relief.</p> | <p>None specified.</p> | <p>Small Business Administration (SBA), Department of Treasury (Treasury). The SBA must issue implementing regulations by January 6, 2020.</p> |
| <p>Section 335 - Documentation Required for Certain Eligible Recipients.</p> | <p>Allows more flexibility for the SBA to accept documentation beyond those enumerated in the CARES Act to determine eligibility for sole proprietors and the self-employed.</p> <p>This section is effective as if included in the CARES Act and applies to any loan made before, on, or after the enactment of this Act, including forgiveness of such loan.</p> | <p>None specified.</p> | <p>Small Business Administration (SBA), Department of Treasury (Treasury). The SBA must issue implementing regulations by January 6, 2020.</p> |
| <p>Section 337 - Inclusion of Certain Refinancing in Non-Recourse Requirements.</p> | <p>Expands the nonrecourse provision of the PPP to loans for the purpose of refinancing an SBA loans, in addition to the purpose of covering payroll, salaries, employee benefits, rent, and other such costs.</p> | <p>None specified.</p> | <p>Small Business Administration (SBA), Department of Treasury (Treasury). The SBA must issue implementing regulations by January 6, 2020.</p> |

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| <p>Section 338 - Application of Certain Terms Through the Life of Covered Loan.</p> | <p>PPP provisions regarding the waiver of fees, waiver of personal guarantee requirements, and the availability of loan deferment apply to the entire life of the PPP loan, rather than solely during the covered period.</p> <p>This section is effective as if included in the CARES Act and applies to any loan made before, on, or after the enactment of this Act, including forgiveness of such loan.</p> | <p>None specified.</p> | <p>Small Business Administration (SBA), Department of Treasury (Treasury). The SBA must issue implementing regulations by January 6, 2020.</p> |
| <p>Section 339 - Interest Calculation on Covered Loans.</p> | <p>Clarifies that the PPP interest calculation of 4 percent should be calculated “on a non-compounding, non-adjustable basis.” This provision can apply to loans made prior to enactment by agreement of the lender and the eligible recipient.</p> | <p>None specified.</p> | <p>Small Business Administration (SBA), Department of Treasury (Treasury). The SBA must issue implementing regulations by January 6, 2020.</p> |
| <p>Section 340 - Reimbursement for Processing.</p> | <p>Provides for PPP lender reimbursement by SBA for new PPP loans (second draw PPP loans have a different fee structure) based on a tiered reimbursement rate.</p> <p>For loans made after enactment of this Act:</p> <ul style="list-style-type: none"> For a covered loan of \$50,000 or less, the lender can be reimbursed at the lesser of 50 percent of the loan principal or \$2,500. | <p>None specified.</p> | <p>Small Business Administration (SBA), Department of Treasury (Treasury). The SBA must issue implementing regulations by January 6, 2020.</p> |

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| <p>Section 340 - Reimbursement for Processing. (cont'd)</p> | <ul style="list-style-type: none"> For loans of more than \$50,000 and not more than \$350,000, the lender can receive the amount of five percent of the principal. For loans more than \$350,000 and less than \$2,00,000, the lender receives the amount of three percent of the loan principal. For loans of more than \$2,000,000, the lender receives one percent of the loan principal. <p>Clarifies lender reimbursement by SBA shall be made no later than 5 days post-disbursement and 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.</p> | <p>None specified.</p> | <p>Small Business Administration (SBA), Department of Treasury (Treasury). The SBA must issue implementing regulations by January 6, 2020.</p> |
| <p>Section 341 - Duplication Requirements for Economic Injury Disaster Loan Procedures.</p> | <p>Permits certain EIDL borrowers to also apply for a PPP loan.</p> | <p>The date on which covered loans are made available.</p> | <p>Small Business Administration (SBA), Department of Treasury (Treasury). The SBA must issue implementing regulations by January 6, 2020.</p> |
| <p>Section 343 - Covered Period for New Paragraph (36) Loans.</p> | <p>Amends the PPP’s definition of “covered period” from December 31, 2020 to March 31, 2021.</p> | <p>None specified.</p> | <p>Small Business Administration (SBA). The SBA must issue implementing regulations by January 6, 2020.</p> |

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| Coronavirus Response and Relief - Banking Division N, Title V | | | |
| Section 522 - Capital Investments for Neighborhoods Disproportionately Impacted by the COVID-19 Pandemic. | Established a \$9 billion Emergency Capital Investment Fund and Emergency Capital Investment Program to provide capital investments to support CDFI and minority depository institution credit unions. Applicants under the program must provide an investment and lending plan that serves targeted populations and provides incentives for increasing the amount of loans a participating credit union makes. | 6 months after the date the national emergency for COVID-19 ends. | Department of Treasury (Treasury) and National Credit Union Administration (NCUA) Secretary of the Treasury has 30 days from enactment to issue rules for recipients of capital investments. |
| Section 523 - Emergency Support for CDFIs and Communities Responding to the COVID-19. | Appropriated \$3 billion in emergency support for the CDFI Fund. Of this, \$1.25 billion will be available until September 30, 2021 to fund grants to help CDFIs respond to the economic impact of the pandemic. The remaining \$1.75 billion will be available until expended to expand lending and investment activity in low- or moderate-income or underserved minority communities. | September 30, 2021 or until expended. | Department of Treasury (Treasury). No explicit requirement to issue regulations. |
| Section 540 - Extensions of Temporary Relief and Emergency Authorities. | The CARES Act gave credit unions the ability to temporarily delay measuring credit losses on financial instruments under the new Current Expected Credit Losses (CECL) methodology, and this option was extended to the earlier of January 1, 2022, or the date on which the national emergency declaration related to coronavirus is terminated. If a credit union elected to adopt CECL early, then this would provide optional relief if they had planned on being subject to the standard this year. FASB | None specified. | National Credit Union Administration (NCUA). No explicit requirement to issue regulations. |

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| Section 540 – Extensions of Temporary Relief and Emergency Authorities. (cont’d) | <p>had previously delayed the mandatory effective date for CECL until 2023 for credit unions.</p> <p>The CARES Act also enhanced access to the Central Liquidity Facility (CLF), including for corporate credit unions, to meet liquidity needs. The NCUA Board, on behalf of the CLF, is able to borrow from any source, provided that the total face value of these obligations shall not exceed twelve times the subscribed capital stock and surplus of the Facility, provided that, the total face value of such obligations shall not exceed 16 times the subscribed capital stock and surplus of the Facility. This flexibility was extended until December 31, 2021.</p> | None specified. | National Credit Union Administration (NCUA). No explicit requirement to issue regulations. |
| Section 541 – Extension of Temporary Relief from Troubled Debt Restructurings and Insurer Clarification. | <p>The CARES Act provided that credit unions may elect to suspend requirements under U.S. Generally Accepted Accounting Principles (GAAP) for loan modifications related to the coronavirus pandemic and suspend any such determination regarding loans modified as a result of the effects of the coronavirus. This option is available during the “applicable period,” which is extended until January 1, 2022 or the date that is 60 days after the date on which the national emergency concerning COVID-19 terminates.</p> | None specified. | National Credit Union Administration (NCUA). No explicit requirement to issue regulations. |
| Termination of the Federal Reserve’s Temporary Emergency Lending Facilities Division N, Title X | | | |
| Section 1003 - Rescissions. | <p>Outlines that there will be an immediate rescission of \$429 billion of the unobligated balances remaining in the Federal Reserve Board’s Exchange Stabilization Fund. Any remaining funds will be permanently rescinded on January 9, 2021 with the exception of funds for administrative expenses.</p> | None specified. | Department of Treasury (Treasury) and Federal Reserve Board (FRB). No explicit requirement to issue regulations. |

CONSOLIDATED APPROPRIATIONS ACT, 2021 (CAA) SUMMARY



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Updated 12/28/20

| SECTION | KEY PROVISIONS | EXPIRATION DATE | AGENCY AND IMPLEMENTING REGULATIONS |
|--|--|-----------------|---|
| Section 1005 - Termination of Authority. | Section 4029 of the CARES Act terminates the authority of the Treasury and the Federal Reserve to operate temporary emergency lending facilities on December 31, 2020. This provision ensures that these lending facilities definitively end on December 31, 2021 and stops them from being restarted or replicated without congressional authorization. | None specified. | Department of Treasury (Treasury) and Federal Reserve Board (FRB). No explicit requirement to issue regulations. |
| Tax Provisions Division N, Title II, Subtitle B | | | |
| Section 272 - Additional 2020 Recovery Rebates for Individuals. | Allows a \$600 for single filers and \$1,200 for joint filers tax credit. Furthermore, \$600 for each dependent is allowed. This is classified as a “recovery rebate” and is allowed for 2020 year to filers who did not qualify for an EIP. Stipulates that the rebate can be exempted from a garnishment order upon the request of the account holder. Provides a good faith liability shield to financial institutions who do not have a request to forgo garnishment | None Specified. | Internal Revenue Service (IRS), Department of Treasury (Treasury). The Secretary of the Treasury to issue guidance as necessary, including measures to avoid allowing multiple credits or rebates to a taxpayer. |
| Section 274 - Extension of Certain Deferred Payroll Taxes. | Amends the payroll tax deferral dates which stipulated that “An Affected Taxpayer must withhold and pay the total Applicable Taxes that the Affected Taxpayer deferred under this notice ratably from wages and compensation paid between January 1, 2021 and April 30, 2021 or interest, penalties, and additions to tax will begin to accrue on May 1, 2021, with respect to any unpaid Applicable Taxes.” By substituting December 31, 2021 for April 31, 2021 and January 1, 2022 for May 1, 2021. | None Specified. | Internal Revenue Service (IRS), Department of Treasury (Treasury). No explicit requirement to issue regulations. |

CONSOLIDATED APPROPRIATIONS ACT, 2021 (CAA) SUMMARY



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Updated 12/28/20

| SECTION | KEY PROVISIONS | EXPIRATION DATE | AGENCY AND IMPLEMENTING REGULATIONS |
|---|---|------------------------|--|
| <p>Section 276 - Clarification of Tax Treatment for Forgiveness of Covered Loans.</p> | <p>Clarifies that gross income does not include amounts that are forgiven under the PPP. Deductions are allowed for expenses paid with the proceeds of a PPP loan that is forgiven and the tax basis and other attributes of the borrower’s assets are not reduced as a result of the loan forgiveness.</p> <p>These provisions are effective as of the date of enactment of the CARES Act. This section provides similar treatment for the Second Draw PPP loans, effective for tax years after enactment.</p> | <p>None specified.</p> | <p>Internal Revenue Service (IRS), Department of Treasury (Treasury). No explicit requirement to issue regulations.</p> |
| <p>Section 278 - Clarification of Tax Treatment of Certain Loan Forgiveness and Other Business Financial Assistance.</p> | <p>Clarifies that gross income does not include forgiveness of certain loans including emergency EIDL grants, and certain loan repayment assistance, as provided under the CARES Act. Deductions are allowed for expenses paid with the proceeds of a PPP loan that is forgiven and the tax basis and other attributes of the borrower’s assets are not reduced as a result of those amounts being excluded from gross income.</p> | <p>None specified.</p> | <p>Internal Revenue Service (IRS), Department of Treasury (Treasury). No explicit requirement to issue regulations.</p> |
| <p>Section 286 - Extension of Credits for Paid Sick and Family Leave.</p> | <p>Amends the refundable payroll tax credits for paid sick and family leave, enacted in the <i>Families First Coronavirus Response Act</i>, to extend the period of tax credit to March 31, 2021. The tax credits apply as if the corresponding employer mandates were extended through March 31, 2021.</p> | <p>March 31, 2021.</p> | <p>Internal Revenue Service (IRS), Department of Treasury (Treasury). No explicit requirement to issue regulations.</p> |

CONSOLIDATED APPROPRIATIONS ACT, 2021 (CAA) SUMMARY



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Updated 12/28/20

| SECTION | KEY PROVISIONS | EXPIRATION DATE | AGENCY AND IMPLEMENTING REGULATIONS |
|--|--|--------------------|--|
| Additional Tax Provisions Division EE | | | |
| Section 119 – Employer Credit for Paid Family and Medical Leave. | Amends Internal Revenue Code Section 45S, which incorporated the changes made in the <i>Families First Coronavirus Response Act</i> , to extend the employer credit for paid family and medical leave through December 31, 2025 for wages paid after December 31, 2020. | December 31, 2025. | Internal Revenue Service (IRS), Department of Treasury (Treasury). No explicit requirement to issue regulations. |
| Section 206 – Clarifications and Technical Improvements to CARES Act Employee Retention Credit. | <p>Provides clarifications regarding coordination of the PPP and employee retention tax credit. Payroll costs do not include qualified wages taken into account in determining the employee retention tax credit under Section 2301 of the CARES Act.</p> <p>An employer may elect to not take certain qualified wages into account, as provided in guidance issued by the Treasury and SBA, detailing the treatment of a covered loan that is not forgiven.</p> <p>For purposes of Section 2301 of the CARES Act, an employer who filed a tax return with employment taxes before enactment of this Act may elect to treat any applicable wages (paid after December 31, 2019 and before October 1, 2020 and not taken into account for calculating the employee retention tax credit) as an amount paid in the last quarter of 2020.</p> | None specified. | Internal Revenue Service (IRS), Department of Treasury (Treasury), Small Business Administration (SBA). Treasury and SBA to issue guidance regarding treatment of payroll costs under election. |

CONSOLIDATED APPROPRIATIONS ACT, 2021 (CAA) SUMMARY



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Updated 12/28/20

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|---|--|------------------------|--|
| <p>Section 207 - Extension and Modification of Employee Retention and Rehiring Tax Credit.</p> | <p>Amended Section 2301 of the CARES Act to expand the refundable payroll tax credit percentage for certain eligible employers from 50 to 70 percent of wages paid to employees retained during each applicable calendar quarter. To be eligible for this credit, the employer must, in part, either:</p> <ul style="list-style-type: none"> • Have had operations partially or fully suspended due to a COVID-19-related shutdown order; or • Gross receipts declined by more than 80 percent when compared to the same quarter in 2019. <p>Employers may use prior quarter gross receipts to determine eligibility for the credit.</p> <p>This section also increases the limit on creditable wages per employee from \$10,000 for the year to \$10,000 for each quarter.</p> <p>The credit differs for “large employers,” now defined as those with over 500 employees. Provides that employers who receive PPP loans may still qualify for the employee retention tax credit for wages that are not paid for with forgiven PPP proceeds.</p> <p>Amends the CARES Act so that the credit applies for wages paid or incurred from March 12, 2020 through July 1, 2021.</p> | <p>None specified.</p> | <p>Internal Revenue Service (IRS), Department of Treasury (Treasury). Treasury to issue forms, instructions, regulations and guidance as necessary.</p> |

CONSOLIDATED APPROPRIATIONS ACT, 2021 (CAA) SUMMARY



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Updated 12/28/20

| SECTION | KEY PROVISIONS | EXPIRATION DATE | AGENCY AND IMPLEMENTING REGULATIONS |
|---|---|-----------------|--|
| NCUA Cybersecurity Provisions Division Q | | | |
| Division Q, Section 108 – Cybersecurity and Financial System Resilience Report | Within 180 days after enactment and then on an annual basis, the NCUA must issue reports on how it is strengthening its cybersecurity protocols and measures with respect to its role as regulator of the credit union industry, including the supervision and regulation of credit unions. Specifically, the report must include policies and procedures to detect defend and respond to cyber-attacks; the implementation of such policies and procedures; and any emerging threats that may impact the resilience of the industry. Congress may request the agencies to appear for a hearing regarding the report. | None specified. | National Credit Union Administration. No explicit requirement to issue regulations. |

This document is intended for informational purposes only. It does not constitute legal advice. If such advice or a legal opinion is required, please consult with competent local counsel.