

## **Changes to Small Business Title: Targeted HEALS Act to Second-Degree Amendment**

- 1. Expands the definition of covered supplier cost:** In section 1106 of the CARES Act as amended by section 4001(d)(2) of the amendment, the amendment expands the definition of covered supplier costs to include orders and purchase orders, in addition to contracts, and extends the date by which contracts, orders, and purchase orders must be in force in order to be eligible from February 15, 2020 to October 1, 2020.
- 2. Extends the date by which guidance may affect the definition of covered worker protection expenditures:** In section 1106 of the CARES Act as amended by section 4001(d)(2) of the amendment, the amendment extends the date by which the HHS, CDC, or OSHA guidance may define certain worker protection expenditures.
- 3. Updates length of loan forgiveness covered period:** In section 1106 of the CARES Act as amended by section 4001(f)(1) of the amendment, the amendment extends the maximum length of the loan forgiveness covered period that a borrower may elect from December 31, 2020 to the date that is 24 weeks after the origination of the loan.
- 4. Includes third quarter of 2020 in the calculation of revenue loss:** In section 7(a)(37)(A)(v)(I)(cc) of the Small Business Act as amended by section 4001(i) of the amendment, the amendment expands the eligible 2020 quarters a borrower may use to calculate its revenue decline to include the third quarter of 2020.
- 5. Makes a technical change to revenue decline threshold:** In section 7(a)(37)(A)(v)(I)(cc) of the Small Business Act as amended by section 4001(i) of the amendment, the amendment clarifies that the 35 percent change in revenue between comparison quarters must be a reduction from the 2019 quarter to the 2020 quarter.
- 6. Clarifies the ineligibility of FARA registrants:** In section 7(a)(37)(A)(v)(III)(ee) of the Small Business Act as amended by section 4001(i) of the amendment, the amendment clarifies that persons required to register as agents of a foreign principal under the Foreign Agents Registration Act (FARA) are ineligible for a Paycheck Protection Program Second Draw loan.
- 7. Modifies the definition of gross receipts for nonprofits:** In section 7(a)(37)(G) of the Small Business Act as amended by section 4001(i) of the amendment, the amendment modifies the definition of gross receipts for nonprofit and veterans organizations to include revenue from program services and exclude any loan proceeds from the Paycheck Protection Program.
- 8. Modified Commitment Authority and Appropriations:** In section 4001(u) of the amendment, the amendment changes the commitment authority for the Paycheck Protection Program to be \$779.64 billion, which is equivalent to the sum of loans already made under previous authority (\$520 billion) and the amount of additional funds made available by the amendment (\$259.64 billion).