



AMERICAN COUNCIL OF ENGINEERING COMPANIES
of North Carolina

COVID-19 Update 7-29-2020

SBA Issues Loan Forgiveness Guidance

On July 23rd SBA issued a [notice](#) to PPP lenders regarding the loan forgiveness process. The notice states that the PPP loan forgiveness portal will be open on August 10, 2020.

Senate Republicans introduce the "HEALS Act"

Yesterday, Senate Republicans released the HEALS Act. This \$1 trillion package is the follow-on to the CARES Act (and the bills providing additional funding and flexibility for PPP loans) and is their opening bid in negotiations with House Democrats. As you'll recall, at the end of May the House passed the HEROES Act, their \$3.5 trillion bill to build on the CARES Act.

Key provisions in the Senate bill include:

- Enhanced employee retention tax credit (ERTC), and allowing employers that have a PPP loan to also claim the ERTC
- Opportunity for firms to take a second PPP loan, but with significant restrictions (e.g. must show a 50% revenue loss)
- Liability safe harbor for employers that make reasonable efforts to follow governmental coronavirus requirements
- \$10 billion for the AIP program for airports

There are also some disappointments:

- The legislation does not restore tax deductibility of expenses covered by PPP loan forgiveness
- It does not provide assistance to state DOTs, transit, or water agencies

This is the just the beginning of negotiations that will also cover unemployment benefits, assistance to state and local governments, additional checks to taxpayers, and other issues. ACEC will continue to engage with Congress as this process moves forward.

For a comparison of the House HEROES Act versus the Senate HEALS Act, [click here](#)

ACEC Private Industry Brief Takes a Look at the Q2 2020

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