



March 25, 2020

Dear Chamber members and members of our community,

I wanted to provide an update from the state and federal government regarding actions to help alleviate the impact from COVID-19 on you and your business. Most importantly, please be diligent in your record-keeping. Businesses must have detailed records and documentation of their losses or they may not be considered for funding. These records will be needed in the future to provide documentation of the impact on your business.

The Illinois Department of Commerce and Economic Opportunity (DCEO) just released emergency assistance programs available for Illinois small businesses. This program includes the Hospitality Emergency Grant Program which will provide \$14 million in funds to our restaurants, bars and hotels. The program also includes the Illinois Small Business Emergency Loan Fund which will make available low interest loans of up to five years for \$50,000 with payments delayed for six months. Please visit www.dceo.org.

The largest package to provide aid is expected to be signed into federal law on Friday. The Coronavirus Aid, Relief and Economic Security (CARES), the Phase 3 Economic Stimulus Package, will provide \$2 trillion emergency relief funds, including individual stimulus payments and small business loan provisions.

This package includes Paycheck Protection Loans providing \$350 billion in federally guaranteed loans for small businesses (less than 500 employees), sole proprietors and non-profits to keep making payroll. Forgivable loans of up to \$10 million each with a rate not to exceed 4% up to 10 years will be made available. These loans can be used for payroll, mortgage payments, rent, utilities and any other debt service requirement. The CARES Act also provides for deferment of repayment from six months to a year. A portion of these loans can be forgiven on a tax-free basis from March 1 through June 30, 2020. The employer must maintain its workforce and salary or wages during the 8 weeks.

Also included in the CARES Act is \$130 billion for hospitals, as well as improved unemployment insurance that will provide workers with four months-worth of their income if they are laid off or lose their job due to the coronavirus crisis.

Additionally, \$507 billion in direct payments will be made to individuals and families based on 2019 or 2018 tax return with checks of up to \$1,200 for every American making less than \$99,000 and \$500 per child under age 17. The payments will be made between now and December 31, 2020.

Individuals will be able to defer payment of their 2020 payroll taxes until 2021 and 2022

Employee Retention Credit: A one year only credit against the social security payroll tax for any business that closes or suspends business because of the government order related to COVID-19. Or, if they lost 50% or more of their gross receipts.

All Americans can delay tax filing until July 15.



The Families First Coronavirus Response Act (H.R. 6201) was signed into law on March 18. This act provides paid sick leave and free coronavirus testing, expands food assistance and unemployment benefits, and requires employers to provide additional protections for health care workers. It also established a federal emergency paid leave benefits program to provide payments to employees taking unpaid leave due to the coronavirus outbreak, and expanded unemployment benefits and provided grants to states for processing and paying claims. The act requires employers to provide paid sick leave to employees. It also establishes requirements for providing coronavirus diagnostic testing at no cost to consumers and treats personal respiratory protective devices as covered countermeasures that are eligible for certain liability protections. It temporarily increased the Medicaid federal medical assistance percentage (FMAP).

I would also like to review the Phase 2 economic stimulus that was approved into law on March 6. The federal government is providing \$8.3 billion emergency funds to deliver resources to state and local health agencies. Funds will be directed toward developing treatments and a vaccine. This package also provides the funds for the Small Business Administration (SBA) disaster loans.

The Federal Reserve Bank is also taking unprecedented actions to support the overall economy. Please visit www.federalreserve.gov for press release updates.

I will continue to be in contact with our government and area leaders, researching the latest news and information that I know is critical to you and your business. I have been relaying your concerns to our representatives, so they are aware of what you need. The Batavia Chamber of Commerce understands its vital role in our community during uncertain times like these. Our value to the community and our members in this crisis is to inform, coordinate and respond. We will continue to use these abilities and the relationships that we have developed to disseminate information, keeping everyone up to date.

Visit www.bataviachamber.org for more information and regular updates. Please reach out to me with any questions or concerns. The Batavia Chamber is here to support you.

Kind regards,

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