Small Businesses and COVID-19: Relief and Assistance Resources

Updated July 28, 2020

This CRS Insight presents selected websites and CRS products potentially relevant to small businesses that are directly affected by the Coronavirus Disease 2019 (COVID-19) pandemic and seeking economic relief and assistance.


For businesses interested in supporting COVID-19 mobilization efforts, see CRS Insight IN11419, COVID-19: Selected Federal Resources for Businesses Seeking to Assist with Research and Manufacturing Efforts.

For a list of CRS products related to COVID-19, see the CRS COVID-19 Resources page.

Selected Resources

Small Business Administration

The Small Business Administration’s (SBA’s) “Coronavirus (COVID-19)” resource page provides information on new assistance programs, such as the Paycheck Protection Program (PPP) (a loan program established by the CARES Act). PPP loans may be forgiven under certain conditions. The SBA briefly stopped accepting new PPP loan applications on April 15, 2020, before resuming on April 27, 2020, following enactment of the PPP and the Health Care Enhancement Act. A subsequent bill extended the PPP loan period from June 30, 2020 to August 8, 2020.

SBA Economic Injury Disaster Loans (EIDL) are low-interest loans available to eligible small businesses; the CARES Act also established the Emergency EIDL Grant program to provide EIDL advance payments of up to $10,000, which do not need to be repaid. The SBA stopped accepting COVID-19-related EIDL and Emergency EIDL grant applications on April 15, 2020, because the SBA was approaching its disaster loan assistance credit subsidy limit. The SBA began accepting new EIDL and Emergency EIDL grant applications on a limited basis on May 4, 2020, to accommodate agricultural businesses that were...
provided EIDL eligibility by the Paycheck Protection Program and Healthcare Enhancement Act, and resumed the acceptance of new EIDL and Emergency EIDL grant applications from all borrowers on June 15, 2020. SBA is still accepting loan applications, but is no longer accepting EIDL grant applications because the program has reached its authorization limit of $20 billion in grants. See CRS Insight IN11370, SBA EIDL and Emergency EIDL Grants for COVID-19; CRS Report R44412, SBA Disaster Loan Program: Frequently Asked Questions; and CRS Insight IN11357, COVID-19-Related Loan Assistance for Agricultural Enterprises.

Businesses may contact local SBA district offices with questions about these COVID-19-related assistance programs.

SBA continues to offer a number of nondisaster loans and grants. For more information, contact local SBA affiliates:

- SBA district offices
- Small Business Development Centers
- Other SBA-affiliated resource partners

For summaries of nondisaster SBA assistance programs, see CRS Report RL33243, Small Business Administration: A Primer on Programs and Funding.

Note that the federal government most typically assists businesses through loans rather than grants—though there are exceptions.

**Department of Agriculture**

The Department of Agriculture (USDA) offers a number of programs to agricultural producers whose operations have been affected by the coronavirus pandemic. See CRS Report R46347, COVID-19, U.S. Agriculture, and USDA’s Coronavirus Food Assistance Program (CFAP) and CRS Insight IN11415, COVID-19 and USDA Farm Loan Flexibilities.

USDA’s Rural Development Business programs also provide financial and technical assistance to qualified rural businesses; see CRS Report RL31837, An Overview of USDA Rural Development Programs. USDA also has announced measures to assist businesses affected by COVID-19 and has published a COVID-19 Federal Rural Resource Guide.

**Department of Housing and Urban Development**

The Community Development Block Grant (CDBG) is a flexible program that provides funds to address a wide range of community development needs, principally for low- and moderate-income persons. In response to the COVID-19 pandemic, some U.S. localities have announced efforts to support small businesses with existing CDBG funds, and HUD has issued a guide for infectious disease response; see CRS Insight IN11277, Responding to the COVID-19 Outbreak with Community Development Block Grant (CDBG) Authorities, and CRS Insight IN11315, Community Development Block Grants and the CARES Act. For more information on eligible activities, see HUD’s “CDBG Infectious Disease Response” webpage or contact local or state CDBG administrators.

**Department of Labor**

The U.S. Department of Labor has resources to help employers and workers prepare for and respond to COVID-19, including information on workplace safety; wages, hours, and leave; unemployment insurance; and other topics.
Department of the Treasury, Community Development Financial Institution Fund

The Treasury’s Community Development Financial Institutions Fund supports organizations that provide loans to businesses, homebuyers, community developers, and investors in distressed areas; see CRS Report R42770, Community Development Financial Institutions (CDFI) Fund: Programs and Policy Issues.

Federal Government Contracting Opportunities

Incumbent and potential contractors may access federal agencies’ solicitations on the beta version of the System for Award Management. For example, the Biomedical Advanced Research and Development Authority (part of the Department of Health and Human Services) issued a solicitation for advanced development and licensing of COVID-19 diagnostics, vaccines, or medicines. Although some solicitations might include the term “COVID-19,” contracting opportunities related to the coronavirus outbreak may not necessarily include this term or related terms.

Small businesses may find information about the federal procurement process in the SBA’s contracting guide. See, also, CRS Report RS22536, Overview of the Federal Procurement Process and Resources; and CRS Legal Sidebar LSB10428, COVID-19 and Federal Procurement Contracts.

The Federal Reserve System

The Main Street Business Lending Program, a new initiative announced by the Federal Reserve in April, supports eligible small and medium-sized businesses as well as nonprofits. To receive loans under this program, a business must have no more than 15,000 employees or had no more than $5 billion in revenue in 2019, among other eligibility requirements (see FAQs for businesses).

Internal Revenue Service

The Internal Revenue Service provides updated information on tax relief for individuals and businesses affected by COVID-19, including news releases and frequently asked questions, on its Coronavirus Tax Relief page; also, see CRS Report R46279, The Coronavirus Aid, Relief, and Economic Security (CARES) Act—Tax Relief for Individuals and Businesses.

Minority Business Development Agency

The Department of Commerce’s Minority Business Development Agency (MBDA) is the lead federal agency dedicated to supporting the development and expansion of the minority business community. Through a network of local business development centers, the MBDA carries out this mission by providing a variety of business assistance services to minority-controlled business enterprises of all sizes. Local Minority Business Development Centers are available in a number of communities.

National Institute of Standards and Technology, Manufacturing Extension Partnership

The National Institute of Standards and Technology’s Manufacturing Extension Partnership is a national network of centers that provide custom services to small and medium-sized manufacturers to improve production processes, upgrade capabilities, and facilitate product innovation. For more information, see CRS Report R44308, The Manufacturing Extension Partnership Program.
State, Local, and Philanthropic Resources

State and local economic development or commerce agencies may provide assistance to new and established businesses. Many city and state governments are offering COVID-19 business relief in the form of loans, grants, or tax-deferral programs.

Although foundations do not typically award grants to businesses, some private grantmakers or local community foundations may also be possible resources in light of COVID-19. For example, some private grantmakers are providing relief funds to women- and minority-owned businesses. The U.S. Chamber of Commerce Foundation has compiled a list of programs (by state) providing financial assistance to small businesses affected by COVID-19.

USA.gov

USA.gov lists a growing number of resources on the federal government response to COVID-19. See the “Businesses” section for links to the Department of the Treasury, Export-Import Bank, Farm Credit Administration, and other federal agencies.

Author Information

Maria Kreiser
Senior Research Librarian

Disclaimer

This document was prepared by the Congressional Research Service (CRS). CRS serves as nonpartisan shared staff to congressional committees and Members of Congress. It operates solely at the behest of and under the direction of Congress. Information in a CRS Report should not be relied upon for purposes other than public understanding of information that has been provided by CRS to Members of Congress in connection with CRS’s institutional role. CRS Reports, as a work of the United States Government, are not subject to copyright protection in the United States. Any CRS Report may be reproduced and distributed in its entirety without permission from CRS. However, as a CRS Report may include copyrighted images or material from a third party, you may need to obtain the permission of the copyright holder if you wish to copy or otherwise use copyrighted material.