
Hughes Hubbard & Reed

CARES Act Developments and Newly Proposed Fiscal Stimulus Legislation as of November 6, 2020

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November 6, 2020 – This week the Federal Reserve revised the Main Street Lending Program (MSLP) to increase support for small businesses by reducing the minimum loan size and excluding Paycheck Protection Program loans of up to \$2 million from the MSLP maximum loan size determination. Congress did not introduce any significant legislation related to fiscal stimulus this week.

Regulatory Developments Relating to the Pandemic

Main Street Lending Program Revised to Better Support Small Businesses

On October 30, the Federal Reserve Board revised the terms of the Main Street Lending Program (MSLP) to provide better support to smaller businesses. First, the minimum loan size for three MSLP facilities available to for-profit and non-profit borrowers has been reduced from \$250,000 to \$100,000 and the fees have been adjusted to encourage the provision of these smaller loans. Second, the Federal Reserve Board issued a new frequently asked question clarifying that Paycheck Protection Program loans of up to \$2 million may be excluded for purposes of determining the maximum allowable loan size under the MSLP, if certain requirements are met.

- [Press release](#)
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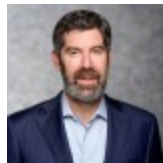
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