

Upcoming Changes to the AK CARES Grant Program

The effective date of these changes will be determined and announced in the coming days.

- **Currently:** A small business is ineligible if it received *any* CARES Act funding such as PPP or EIDL.
- **Change to come:** Small businesses who have secured \$5,000 or less in PPP or EIDL will be eligible for AK CARES grants, provided there is no “double dipping”.
- **Currently:** A small business is ineligible if it received *any* CARES Act funding.
- **Change to come:** Limit exclusion to small businesses that directly received more than \$5,000 in federal funding from the PPP or EIDL. This will permit small businesses that indirectly received CARES act monies through a municipal small business relief program or small businesses whose owners individually received some other source of federal relief to become eligible.
- **Currently:** 501(c)(3)s and 501(c)(19)s are the only nonprofit organizations eligible for the AK CARES program.
- **Change to come:** 501(c)(6) organizations will become eligible.
- **Currently:** Small businesses are unable to participate in the AK CARES program if they received *any* CARES Act funding, even if they return the federal funds.
- **Change to come:** A small business will become eligible if they return federal funds in excess of the \$5,000 cap (a business that received \$6,000 could return \$1,000 to become eligible).
 - *Note:* The State is not encouraging any businesses to return federal funds, nor can we advise which program would work best for small businesses. Businesses need to determine which program works best based on their individual needs.

Applicants that are ineligible based on the current guidelines but will become eligible based on their changes should not submit an application until these changes take effect.

However, these businesses are encouraged to review the checklist and FAQs on the AK CARES Grant website now to begin preparing their applications.

<https://www.commerce.alaska.gov/web/ded/AKCARESGrant.aspx>