

Updates on the Main Street Lending Program

May 21, 2020

There have been a few updates on the [Main Street Lending Program](#), and when it could begin operating.

Begin by May 31.

In his comments before Congress on May 19, Chairman Powell of the Federal Reserve said that the Main Street Lending Program (along with a municipal lending and other programs) should be up and running by the end of May. In addition, the President of the Federal Reserve Bank of Boston also gave a speech on May 19 which underscored that the program would begin operating “in a few weeks” and that the Boston Fed is actively working to get the program ready – and in fact, noted that the Boston Fed is hiring several companies “to help support this large and complex program.”

Webinars for Lenders and Borrowers.

The Boston Fed also announced that it will be hosting webinars for lenders and borrowers who may be interested in the Main Street program.

The two sessions for eligible lenders are open only to regulated U.S. banking and depository institutions, and state banking regulators. These have been scheduled for May 22 and May 28.

The two sessions for interested borrowers have been scheduled for Friday, May 29 at 11 A.M. (ET) and Wednesday, June 3 at 2 PM (ET) – and registration is available on the Boston Fed’s website [here](#). Each webinar is described as a drop-in session for potential borrowers in the Main Street Lending Program to ask questions they have for senior officials from the Federal Reserve. The announcement includes a reminder that the Main Street “program is intended to help companies that were in sound financial condition prior to the onset of the COVID-19 pandemic maintain operations and payroll until conditions normalize.”

The Boston Fed also asks each business to register no more than two representatives for the live session, in order to allow as many potential borrowers to participate as possible. A recording of the session will be available shortly after the call.

Comments on Non-Profits and Asset-Based Borrowers.

The Boston Fed president also said:

- while non-profit organizations are not currently eligible for the Main Street program, the Federal Reserve acknowledges the unique needs of non-profits, many of which are providing critical services and research to fight the pandemic;
- the Fed and Treasury Department will be evaluating the feasibility of adjusting the criteria for eligible borrowers and loan metrics for such non-profits; and

- a similar evaluation will also likely take place with respect to asset-based borrowers.

Additional Resources:

-

[The Fed Updates the Main Street Lending Program – as of May 1, 2020](#)

-

[Fed Loan Program Hits Main Street](#)