



## **Paycheck Protection Program Starts TODAY!!! Courtesy of Sheryl Paynter, USSBA**

The “Paycheck Protection Program and Health Care Enhancement Act” was passed by the House of Representatives on April 23, 2020. President Trump executed the Act on April 24, 2020.

The Small Business Administration will resume accepting PPP loan applications on Monday, April 27 at 10:30 AM EDT from approved lenders on behalf of any eligible borrower.

What is contained in the bill: PPP loan program: \$320 billion to revive the program, which offers loans to small businesses that can be forgiven by the government if at least 75% of the money goes to keeping employees on the payroll. Of those funds, \$60 billion “will be set aside for community-based lenders, smaller banks and credit unions to assist smaller businesses that do not have established relationships with big banks and had a harder time accessing the funds in the first round of loans.” The bill “allocates \$30 billion in loans to be issued exclusively by federally insured banks and credit unions with assets between \$10 and \$50 billion, and another \$30 billion in loans to be issued by firms with less than \$10 billion in assets.” The SBA “is still working through exactly how to separate out the \$60 billion it guaranteed to smaller lenders”. The Treasury Department has issued new guidelines for PPP participants aimed at discouraging larger public companies from applying to the program. The guidelines “make clear that the certification of economic harm required for each application must take into account a company’s ability to secure financing through more traditional means” and allows companies who erred in applying during the first round of PPP, the chance to repay the money by May 7.

A list of participating lenders in PPP has been posted by state: <https://www.sba.gov/document/support--paycheck-protection-program-participating-lenders>