

ALERT

PPP Loan Program Re-Opens

January 12, 2021

As we recently detailed, on January 6, 2021, the Small Business Administration (SBA) issued two Interim Final Rules (first rule and second rule) setting forth the regulations for the newly authorized round of PPP funding, which will be available through March 31, 2021.

The SBA has now released the application forms for new first time borrowers and for second draw PPP borrowers. Lenders may begin accepting applications this week. Initially, the SBA will accept applications only from participating community financial institutions, in order to allow underserved small businesses to obtain access to funds. However, the program is expected to open to other participating lenders shortly thereafter.

Accordingly, eligible companies interested in an initial PPP loan or obtaining additional PPP loan funds should move quickly to review and complete the application (including ensuring they are comfortable certifying to the long list of representations in the application), gathering the necessary supporting documentation, and reaching out to their bank contacts.

For second draw loans, it is highly recommended that applicants approach the same lender from which they received their first PPP loan since the lender will already have the applicant's 2019 payroll information in their file.

As a reminder, the maximum PPP loan amount is \$10 million for first time borrowers, and \$2 million for second time borrowers.

Please do not hesitate to reach out to us or your regular Wiley attorney for questions about these PPP loans or other COVID relief programs.

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