



SBA and Treasury Announce PPP Re-Opening; Issue New Guidance

The U.S. Small Business Administration (SBA), in consultation with the Treasury Department, announced today that the Paycheck Protection Program (PPP) will re-open the week of January 11 for new borrowers and certain existing PPP borrowers. To promote access to capital, initially only community financial institutions will be able to make First Draw PPP Loans on Monday, January 11, and Second Draw PPP Loans on Wednesday, January 13. The PPP will open to all participating lenders shortly thereafter. Updated PPP guidance outlining Program changes to enhance its effectiveness and accessibility was released on January 6 in accordance with the Economic Aid to Hard-Hit Small Businesses, Non-Profits, and Venues Act.

Key PPP Updates Include:

- PPP borrowers can set their PPP loan's covered period to be any length between 8 and 24 weeks to best meet their business needs;
- PPP loans will cover additional expenses, including operations expenditures, property damage costs, supplier costs, and worker protection expenditures;
- The Program's eligibility is expanded to include 501(c)(6)s, housing cooperatives, destination marketing organizations, among other types of organizations;
- The PPP provides greater flexibility for seasonal employees;
- Certain existing PPP borrowers can request to modify their First Draw PPP Loan amount; and
- Certain existing PPP borrowers are now eligible to apply for a Second Draw PPP Loan.

A Borrower is Generally Eligible for a Second Draw PPP Loan if the Borrower:

- Previously received a First Draw PPP Loan and will or has used the full amount only for authorized uses;
- Has no more than 300 employees; and
- Can demonstrate at least a 25% reduction in gross receipts between comparable quarters in 2019 and 2020.

The new guidance released includes:

- [PPP Guidance from SBA Administrator Carranza on Accessing Capital for Minority, Underserved, Veteran, and Women-owned Business Concerns;](#)
- [Interim Final Rule on Paycheck Protection Program as Amended by Economic Aid Act;](#) and
- [Interim Final Rule on Second Draw PPP Loans.](#)

Form 2483 – First Draw Borrower Application

Form 2483-SD – Second Draw Borrower Application

[Click Here to Access the SBA Website to Learn More about PPP](#)

[Click Here to Access the Treasury Website to Learn More about PPP](#)



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