

Paycheck Protection Program, 2021

First-time PPP borrowers

The SBA has authorized additional funding for eligible businesses that have not yet received PPP loans, under similar criteria from the initial round:

- Businesses and entities in operation on February 15, 2020.
- Small businesses, 501(c)(3) nonprofits, 501(c)(19) veterans' organizations or tribal business concerns that have fewer than 500 employees or otherwise meet the SBA size standard.
- Businesses in the accommodation and food service sector that employ 500 or fewer employees per physical location.
- Entities such as housing cooperatives, tax-exempt "business league" organizations under Internal Revenue Code section 501(c)(6), news organizations, and destination marketing organizations are now eligible, subject to additional requirements.

PPP Second Draw loans

In addition to funding for first-time borrowers, eligible businesses will be able to apply for a second loan through the program, capped at \$2 million.

Businesses must meet criteria for a second loan, including:

- They have used the full amount of their first PPP loan.
- Businesses have fewer than 300 employees.
- Experienced at least a 25% reduction in gross receipts in any quarter in 2020 when compared against certain past quarterly results.

When will I be able to apply?

At this time the SBA has indicated they plan to begin accepting PPP first and second draw loan applications from community financial institutions this week, with access for other lenders, such as U.S. Bank, to follow at a later date. While we do not know the date, we are prepared to open when the SBA makes the portal available to us and will communicate more when we know exact timing. We will provide a link to apply at your bank.

There will be no need to fill out a paper application for first or second draw loans. This will be a digital process, using our online application. To ensure expedited processing, neither our branch nor call centers will be able to accept or process applications.

PPP loan forgiveness

The SBA has not yet issued complete guidance and forms to support changes to the forgiveness process, so our forgiveness portal remains closed to new forgiveness applications as well. They have, however, expanded the covered expenses that are eligible for forgiveness and a simplified forgiveness process will be available for loans of \$150,000 or less. Additionally, any Economic Injury Disaster Loan (EIDL) Advance Amount previously deducted from a PPP loan forgiveness amount will be reimbursed by the SBA. We will communicate directly to impacted borrowers when we have more information.

Where can I go for more information?

Start at your local bank and monitor the SBA website.