Employers with fewer than 500 employees and those that are under the applicable Small Business Administration size standards have been eagerly awaiting more information on how to apply for and obtain loans under the “Paycheck Protection Program” (PPP) portion of the CARES Act, passed to address the economic impacts of the ongoing COVID-19 pandemic. The PPP is intended to provide an incentive to small businesses to retain their workers during this crisis by offering government-backed loans that, if the applicable conditions are met – including keeping employees on payroll for eight weeks and using the loan proceeds for payroll, rent, mortgage interest, or utilities – will be forgiven. A more detailed summary of the PPP, including eligibility criteria and other loan conditions, is available [here](#).

On March 31, 2020, the SBA notified the public that those interested in obtaining a PPP loan may apply as soon as April 3, 2020 with any existing SBA Section 7(a) lender, or through any federally insured depository institution, federally insured credit union, and Farm Credit System institution that is participating. The SBA additionally indicated that other regulated lenders would be available to make PPP loans once they are approved and enrolled in the program.
The SBA also released a sample PPP application setting out the information that borrowers will need to provide to obtain a PPP loan.

We will continue to update with additional information about the PPP as it becomes available. In the meantime, those employers who believe they will qualify for loans under the program and intend to apply should begin to gather the necessary materials and contact their banks to inquire about the application process specifics.

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