



COVID-19 UPDATE | APRIL 27, 2020

PAYCHECK PROTECTION PROGRAM: LOAN FUND REPLENISHED

On April 24, 2020, the House passed the Paycheck Protection Program and Health Care Enhancement Act, a \$484 billion COVID-19 relief package that includes an additional \$310 billion to replenish the Small Business Association's (SBA) Paycheck Protection Program (PPP). Other items contained in the bill are an additional \$60 billion for the SBA's Economic Injury Disaster Loan (EIDL) program, \$75 billion for hospitals, and \$25 billion to expand testing.

The PPP, which was originally funded at \$349 billion when it was launched as part of the Coronavirus Aid, Relief and Economic Security (CARES) Act in late March, has been seen as a lifeline for small businesses impacted by the pandemic. Qualifying businesses can apply for up to \$10 million in forgivable loans to support payroll and certain operating costs. However, the launch of the program was met with frustration as businesses scrambled to find participating banks and submit loan applications, and available loan funds dried up quickly.

What's Next

The new round of funding is expected to become available quickly, so businesses who still plan to apply for a loan should be in touch with their banker in order to get their paperwork submitted as soon as possible.

To qualify for loan forgiveness, certain requirements must be met during the 8-week period following the loan issue date. For those who have already submitted an application or received funding, it is important to put a plan in place to track your expenses over the 8-week period post-closing. CRR can help you to navigate the loan process, [determine your expected loan forgiveness amount](#) and create a strategy to appropriately use and track the loan funds in order to maximize loan forgiveness.

Please don't hesitate to contact us at ppp@crrcpa.com with any questions you may have, or visit our COVID-19 Resource Center at www.crrcpa.com/covid19 for the latest updates, alerts and impacts.

We're in this together.