



SBA Issued New Guidance on PPP Lending

The Small Business Administration last night issued two interim final rules on Paycheck Protection Program requirements.

One **interim final rule** focuses on loan review procedures and related borrower and lender responsibilities, such as:

- SBA reviews of individual PPP loans.
- Borrower representations and statements that SBA will review.
- What lenders should review.
- The timeline for lender decisions on loan forgiveness applications.
- What lenders should do if notified that SBA is reviewing a PPP loan.
- Lender fees subject to clawback if SBA determines a borrower is ineligible.

The other **interim final rule** provides details on loan forgiveness, including:

- The general process to obtain loan forgiveness.
- Payroll and nonpayroll costs eligible for loan forgiveness.
- Reductions to the Loan Forgiveness Amount based on reduced employees or compensation.
- Documentation requirements, including SBA Form 3508.

