



PPP Updates: Over \$1.8 Billion Lent To Rhode Island Small Businesses & PPP Flexibility Act Passed

The U.S. Small Business Administration (SBA) has approved 16,236 Paycheck Protection Program loans in Rhode Island totaling \$1,855,216,024 through the close of business on June 6, 2020.

Nationally, there have been 4,531,883 loans approved for \$511,382,171,979. If you are still interested in obtaining a PPP loan, there is still \$130 Billion left in the program. Contact the Rhode Island District Office to be put in touch with lenders who are still accepting new applications.

On June 5th, President Trump signed the Paycheck Protection Program (PPP) Flexibility Act into law. This act loosened guidelines for small businesses using PPP funds. Highlights:

- Extending the covered period for loan forgiveness from 8 weeks after the date of loan disbursement to 24 weeks after the date of loan disbursement (borrowers who have already received PPP loans retain the option to use an 8-week covered period)
- Lowers the requirements that 75% of a borrower's loan proceeds must be used for payroll costs during the covered period to 60%
- Provide a safe harbor from reductions in loan forgiveness based on reductions in full-time equivalent employees, to provide protections for borrowers that are both unable to rehire individuals who were employees of the borrower on February 15, 2020, and unable to hire similarly qualified employees for unfilled positions by December 31, 2020.