



HCEDC

Hudson County
Economic Development
Corporation

INFORMATION

U.S. Small Business Administration

The U.S. Small Business Administration (SBA) announced that the Paycheck Protection Program (PPP) will re-open this week.

The Paycheck Protection Program (PPP) will re-open the week of January 11 for new borrowers and certain existing PPP borrowers. Initially only community financial institutions will be able to make First Draw PPP Loans on January 11th and Second Draw PPP Loans on January 13th.

This round of PPP will continue to prioritize Americans employed by small businesses by authorizing up to \$284 billion toward job retention and certain other expenses through March 31, 2021. It will also allow certain existing PPP borrowers to apply for a Second Draw of PPP loan. The PPP will open to all participating lenders shortly after.

Key Updates Include:

- PPP borrowers can set their PPP loan's covered period to be any length between 8 and 24 weeks to best meet their business needs.
- PPP loans will cover additional expenses, including operations expenditures, property damage costs, supplier costs, and worker protection expenditures.
- The Program's eligibility is expanded to include 501(c)(6)s, housing cooperatives, direct marketing organizations, among other types of organizations.
- The PPP provides greater flexibility for seasonal employees.
- Certain existing PPP borrowers can request to modify their First Draw PPP Loan amount.
- Certain existing PPP borrowers are now eligible to apply for a Second Draw PPP Loan. Borrowers that are generally eligible for a Second Draw PPP Loan:
- Borrow previously received a First Draw PPP Loan and will or has used the full amount only for authorized uses.
- Borrower has no more than 300 employees.
- Borrower can demonstrate at least a 25% reduction in gross receipts between comparable quarters in 2019 and 2020.

How to apply:

You can apply through any existing SBA 7(a) lender or through any federally insured depository institution, federally insured credit union, and Farm Credit System institution that is participating. Other regulated lenders will be available to make these loans once they are approved and enrolled in the program. You should consult with your local lender as to whether it is participating in the program. [View a list of lenders participating in the Paycheck Protection Program by state.](#)

If you wish to begin preparing your application, you can download the following PPP borrower application forms to see the information that will be requested from you when you apply with a lender:

- [Paycheck Protection Program First Draw Borrower Application Form](#)
- [Paycheck Protection Program Second Draw Borrower Application Form](#)

To learn more click [here](#).