

## SBA Reopens the PPP to All Lenders



The U.S. Small Business Administration (“SBA”) and the Treasury Department fully re-opened the Paycheck Protection Program (PPP) loan portal on January 19, 2021, to all participating PPP lenders to submit First and Second Draw loan applications to SBA.

In anticipation of the demand for government help for small businesses, the SBA has been working to upgrade its online application program and has tabbed non-bank lenders to process loan requests. In addition to PPP loans, the SBA enables hard-hit businesses to apply for funding through the Economic Injury Disaster Loan (EIDL) program, which offers 30-year, fixed-rate loans that provide money for expenditures including rent, utilities, debt payments, and healthcare costs.

In general, transportation companies, that together with their affiliates (if applicable), have 500 or fewer employees are eligible for a First Draw PPP loan. Self-employed individuals, sole proprietorships, and independent contractors can also apply.

A transportation company, self-employed individual, sole proprietor, or independent contractor is generally eligible for a Second Draw PPP Loan if the borrower:

1. previously received a First Draw PPP Loan and will or has used the full amount only for authorized uses;
2. has no more than 300 employees; and
3. can demonstrate at least a 25% reduction in gross receipts between comparable quarters in 2019 and 2020.

Transportation businesses or independent-contractor drivers looking for PPP funding should submit their applications as soon as possible. Because so many businesses are expected to apply, the pool of money available to borrowers may go fast. The current PPP loan application deadline is March 31, 2021 – provided that there is available funding.

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If you or your driver are in search of a PPP lender, please contact **Matt Daus** at [mdaus@windelsmarx.com](mailto:mdaus@windelsmarx.com).