

U.S. Small Business Administration
Paperwork Reduction Act Submission
Paycheck Protection Loan Program
OMB Control Number 3245-0407

JUSTIFICATION FOR A NON-SUBSTANTIVE CHANGE

The Small Business Administration (SBA) is seeking approval of a non-substantive change to this information collection to implement the recent amendment to the expiration date for the Paycheck Protection Program (PPP), by the PPP Extension Act of 2021, Pub. L. 117-6 (3/30/2021).

Background:

Section 1102 of the Coronavirus Aid, Relief, and Economic Security (CARES) Act, authorized SBA to guarantee loans made by banks or other financial institutions under the PPP to small businesses, certain non-profit organizations, veterans organizations, Tribal business concerns, independent contractors and self-employed individuals adversely impacted by the Coronavirus Disease (COVID-19) Emergency (First Draw Program). SBA's authority to guarantee PPP loans expired on August 8, 2020. On December 27, 2020, SBA received reauthorization under the Economic Aid to Hard-Hit Small Businesses, Nonprofits, and Venues Act (Economic Aid Act) to resume guaranteeing PPP loans through March 31, 2021. In addition, the Economic Aid Act created a new program, the – "Paycheck Protection Program Second Draw Loans" (Second Draw Program), authority for which also expired on March 31, 2021. The PPP Extension Act of 2021, which was enacted on March 30, 2021, extended SBA's authority to guarantee First Draw PPP Loans and Second Draw PPP Loans (collectively, "PPP Loans") through June 30, 2021.

Amendment:

As a result of this recent amendment, SBA has revised the currently approved SBA Form 3506, *CARES Act Section 1102 Lender Agreement* and SBA Form 3507, *CARES Act Section 1102 Lender Agreement - Non-Bank and Non-Insured Depository Institution Lenders* to conform to this statutory date change. Specifically, in paragraph 8(A) of both forms, SBA has changed the date for Lender's authority to make PPP Loans from April 1, 2021, to July 1, 2021. No other forms or other collection instruments with this 3245-0407 information collection requires a similar change at this time.