

Paycheck Protection Program - Authorizations

Section 1102 of the Coronavirus Aid, Relief, and Economic Security (CARES) Act, Public Law 116-136, authorized SBA to guarantee loans made by banks or other financial institutions under a temporary program titled the “Paycheck Protection Program” (PPP). These loans were available to eligible small businesses, certain non-profit organizations, veterans' organizations, Tribal business concerns, independent contractors, and self-employed individuals adversely impacted by the COVID-19 Emergency. SBA's authority to guarantee PPP loans expired on August 8, 2020. On December 27, 2020, SBA received reauthorization under the Economic Aid Act, Public Law 116-260, to resume guaranteeing PPP loans through March 31, 2021. The Economic Aid Act also allowed certain eligible borrowers that previously received a PPP loan to receive a second draw PPP loan (“Second Draw PPP Loan Program”) and amended certain other PPP statutory provisions. On March 11, 2021, the American Rescue Plan Act, Public Law 117-2, was enacted, amending various PPP statutory provisions. On March 30, 2021, the PPP Extension Act of 2021 was enacted, extending the SBA's PPP program authority through June 30, 2021.