

## SBA Releases Guidance on Paycheck Protection Program

*Legal Alert*

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April 3, 2020

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The Small Business Administration has released regulations governing the Paycheck Protection Program (PPP). These regulations include a change in the previously announced interest rate from 0.5% to 1.0%, and clarification that independent contractors are not to be included in an employer's borrowing base or forgiveness amount, but rather should submit their own independent applications. The regulations also state that a company can only file once, so make sure your application is comprehensive. And as previously advised in our prior alert, at least 75% of the loan amount must be used for payroll costs.

The regulations can be reviewed through this SBA link.

*For questions on the information contained in this alert, please contact Tami Bogutz Steinberg or Stephen Greenberg, or any member of Flaster Greenberg's Business & Corporate Department.*

### **ATTORNEYS MENTIONED**

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