



**NEWS RELEASE
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PAYCHECK PROTECTION PROGRAM (PPP) IS RE-OPENING FOR NEW AND EXISTING BORROWERS

PURCELLVILLE, Va., January 8, 2021 —The U.S. Small Business Administration (SBA), in consultation with the Treasury Department, announced today that the Paycheck Protection Program (PPP) will re-open the week of January 11, 2021 for new borrowers and certain existing PPP borrowers. To promote access to capital, initially only community financial institutions will be able to make First Draw PPP Loans on Monday, January 11, and Second Draw PPP Loans on Wednesday, January 13. The PPP will open to all participating lenders shortly thereafter. Updated PPP guidance outlining Program changes to enhance its effectiveness and accessibility was released on January 6 in accordance with the Economic Aid to Hard-Hit Small Businesses, Non-Profits, and Venues Act.

Congress established the \$670 billion rescue fund earlier this year with the passage of the CARES Act at the end of March. Lawmakers authorized another \$284 billion toward job retention and certain other expenses through March 31, 2021. The program provides a second round of forgivable loans to small businesses as part of its more comprehensive \$900 billion COVID relief plan. At least \$40 billion has been set aside for businesses with 10 or fewer employees and for loans under \$250,000 in low-income areas.

The rescue fund, which provides forgivable loans to businesses if they maintain their payroll, will initially only be available to first-time borrowers, with second-time applicants eligible to apply on Wednesday, according to new guidance from the Small Business Administration and the Treasury Department. The federal government will also give priority to minority-owned businesses in the program's first two days by only accepting loan applications from certain lenders that focus on underserved communities.

This round of the PPP continues to prioritize millions of Americans employed by small businesses by authorizing up to \$284 billion toward job retention and certain other expenses through March 31, 2021, and by allowing certain existing PPP borrowers to apply for a Second Draw PPP Loan.

Key PPP 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; and
- Certain existing PPP borrowers are now eligible to apply for a Second Draw PPP Loan.

A borrower is generally eligible for a Second Draw PPP Loan if the borrower:

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

The new guidance released includes:

- [PPP Guidance from SBA Administrator Carranza on Accessing Capital for Minority, Underserved, Veteran, and Women-owned Business Concerns](#);
- [Interim Final Rule on Paycheck Protection Program as Amended by Economic Aid Act](#); and
- [Interim Final Rule on Second Draw PPP Loans](#).

For more information on SBA's assistance to small businesses, visit

[sba.gov/ppp](https://www.sba.gov/ppp) or [treasury.gov/cares](https://www.treasury.gov/cares). The SBA's website additionally provides [loan details and forgiveness](#) information for businesses that have already received a loan.

The Town of Purcellville, Virginia

"Purcellville-your small Town, where history and progress intersect and people prosper," is an award-winning town of over 10,000 residents located in Loudoun County, approximately 50 miles west of Washington, DC. Having received the prestigious Siemens Sustainability Award for Small Communities, Purcellville continues to be honored for its green initiatives with most recently being the Tree City USA recipient for the 12th year. The Town was reaffirmed as a AAA rated community by S&P Global Ratings, the highest credit rating possible, and is ranked "Safest City" in Virginia in 2020. Once a stop along the W&OD rail line, which has been converted to a multi-use trail from Alexandria, VA to Purcellville, the Town has maintained its historic old-town feel through the restoration and maintenance of its many downtown structures, reflecting the Victorian architecture popular during the early 1900s. Today, Purcellville is the economic hub of western Loudoun County and a popular weekend destination for antiquing, equestrian activities, farmer's markets, wineries, breweries, distilleries and restaurants. More info at www.purcellvilleva.gov.

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