



Round Two of the Paycheck Protection Program

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The U.S. Small Business Administration recently announced that banks will start lending money to small businesses under Round 2 of the Paycheck Protection Program. The Nevada District Office of the SBA has been tremendously helpful and is available to answer specific questions you may have at nvdo@sba.gov. You can also call 702.388.6611 or visit the website at www.SBA.gov/NV. You may find the following information helpful as you navigate this process.

What are PPP loans?

PPP loans are forgivable loans, meaning the money doesn't need to be repaid if it meets the criteria laid out by the Small Business Administration.

Who may qualify?

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

Am I eligible for the Second Draw if I didn't apply for the first draw?

Eligible borrowers that previously received a PPP First Draw Loan may apply for a PPP Second Draw Loan of up to \$2 million with the same general loan terms as their PPP First Draw Loan.

For most borrowers, the maximum loan amount of a PPP Second Draw Loan is 2.5x the average monthly 2019 or 2020 payroll costs up to \$2 million. If you haven't applied for the First Round you still have time to apply- read the SBA website linked in this article for more information.



Where can I find the BEST information on how and when to apply?

All the information you need to know can be found here at the SBA website.

<https://www.sba.gov/funding-programs/loans/coronavirus-relief-options/paycheck-protection-program/second-draw-ppp-loans#section-header-6>

What application do I use?

PPP Second Draw loan applicants must use the new SBA Form 2483-SD Borrower Application.

What if I don't have a specific lender?

The SBA provides a [lender match](#) portal, where borrowers can complete a brief questionnaire and then get matched with an approved lender within two days.

The SBA will initially only lend through smaller community financial institutions before opening the loans up to all lenders.

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