

Tuesday, January 19, 2021

To: New York Community Banks

We are pleased to share newly released information on the Paycheck Protection Program (PPP) -- which fully reopened to all participating lenders as of today -- from ICBA (see below) and from IBANYS, working with our partners at the Independent Bankers Association of Texas (see attached).

Please contact me with any questions.

-- John

FROM ICBA

From ICBA President & CEO Rebeca Romero Rainey: **The Small Business Administration just issued additional resources on the Paycheck Protection Program, which fully reopened to all participating lenders today.**

First, the SBA issued a [Q&A on second-draw PPP loans](#), titled "Second Draw PPP Loans: How to Calculate Revenue Reduction and Maximum Loan Amounts Including What Documentation to Provide." The guidance:

- Includes information on how "gross receipts" is defined and how to calculate them by business type.
- Details acceptable documentation to support revenue reduction.
- Describes how to calculate maximum second-draw loan amounts by type of business or borrower.

Second, the SBA issued a reminder that first-draw PPP loans under review may be delayed in getting a second-draw PPP loan number. As described in SBA's interim final rule on loan review procedures: If the SBA is reviewing a borrower's first-draw PPP loan, the agency will notify the lender when it applies for a second-draw loan guaranty. The lender will not receive an SBA loan number until the issue is resolved.

Today's SBA release follows additional PPP resources issued over the weekend:

- [How to Calculate Maximum Loan Amounts for First Draw PPP Loans and What Documentation to Provide – By Business Type](#)
- [Procedural Notice - PPP Borrower Resubmissions of Loan Forgiveness Applications Using Form 3508S, Lender Notice Responsibilities to PPP Borrowers, and Offset of Remittances to Lender for Lender Debts](#)
- [Procedural Notice - Paycheck Protection Program Excess Loan Amount Errors](#)
- A reminder to make sure the PPP first-draw loan number is included in the [second-draw PPP loan application](#). PPP lenders should ensure borrowers have easy access to their SBA loan numbers, which have the following format: XXXXXXXX-XX.

Lenders experiencing issues inputting loans should call the lender hotline at 833-572-0502 or send SBA a message via the "Inbox" located on the Forgiveness Platform and selecting New Message.

These resources and additional information are available here:

- The [SBA](#) and [Treasury](#) PPP pages.
- ICBA's [PPP and EIP News](#) page.
- The recording of last week's ICBA [Community Bank Briefing](#) on the second round of PPP lending.
- The Independent Bankers Association of Texas's [matrix of PPP updates](#) in the stimulus law.
- [ICBA's summary](#) of the stimulus package's community banking provisions.

Thank you for all you are doing at this challenging time. ICBA will continue to keep you informed with the latest information.

#####

IBANYS will continue to provide updates as additional information becomes available. Thank you all for your continued participation and support.

- **John J. Witkowski, President & CEO (Johnw@ibanys.net; 716.880.0518)**
- **Stephen W. Rice, Director, Communications & Government Relations (Steve@ibanys.net)**