President Signs Paycheck Protection Program Flexibility Act

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On June 5, 2020, President Trump signed H.R.7010, the Paycheck Protection Program Flexibility Act of 2020 (the "***PPPFA***"). The PPPFA modifies the Paycheck Protection Program ("***PPP***") to provide additional flexibility to borrowers in using PPP loan proceeds and obtaining forgiveness for their loans by the Small Business Administration (the "***SBA***").

The PPP is a small business loan program established pursuant to Title I of the Coronavirus Aid, Relief, and Economic Security ("***CARES***") Act signed by President Trump on March 27, 2020, and supplemented by the Paycheck Protection Program and Health Care Enhancement Act (the "***PPP/HCE Act***") on April 24, 2020.

Below is a high-level summary of the changes to the PPP set forth in the PPPFA. We expect the SBA and U.S. Department of Treasury to provide further implementing guidance and regulations in the coming days. Such guidance and regulations could provide further detail with respect to the usage and forgiveness mechanics for PPP loans and may materially change the summary below. Businesses are encouraged to seek advice from qualified legal counsel when obtaining and seeking forgiveness under a PPP loan.

Read the full article here.

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