



Small Business Loan Program Still Has Funds - Stimulus Program Review

Three months following the administration's launch of pandemic relief programs, major debates have arisen in response to the remaining surplus of undirected funds in conjunction with the Paycheck Protection Program (PPP). The program was established to assist small businesses with critical funds in order to remain in business during the pandemic.

As the COVID-19 crisis continues to perpetuate mixed discussion and growing numbers, disputes over the remaining funds result, showing an increased bipartisan support for fund allocation towards small business relief. Senate democrats consider nuance legislation that would provide secondary PPP loan allocations for eligible small businesses. Contrary to primary requirements that were more restrictive, a second PPP loan would be available to those small businesses with previous PPP loans, limited to 100 or fewer employees. The proposed legislation hopes to aid prolonged relief and support to those small businesses subject to projected additional loss.

PPP loan measures have been taken and proposed by congressional members considering the excuse of loans \$150,000 or less, which represents nearly 85% of all PPP loans, in order to minimize the burden while utilizing a minimal proportion of the Paycheck Protection Program's overall expenditure.

After the Small Business Administration's approval of increased loans, the program's outlays are the largest financial outlay within COVID-19 spending. Loan applications have shown promising results to nearly 81% of PPP loan applicants, many reporting having already received the funds.

Unless extended by Congress, the Paycheck Protection Program stopped accepting new loan applications on June 30, 2020. As of June 12, 2020, the SBA reported that over 4.5 million PPP loans had been approved, with an average loan amount of \$113,000.

Sources: SBA, congress.gov, National Federation of Independent Business