

Paycheck Protection Program 2 (Forgiveness)

We have spoken with several schools who have had their PPP2 forgiveness applications denied by the SBA through their lender. In many situations we've seen, the denial was due to erroneous data provided to the SBA – either because of incorrect presumptions by the school or bad information from the lender.

If you find yourself in this situation, there is a potential remedy: the PPP request for second review. The clock is ticking and you only have 30 days to make this “appeal.” Here is an overview of what the SBA has to say about this “appeals” program:

The Paycheck Protection Program (PPP) was established under section 1102 of the Coronavirus Aid, Relief, and Economic Security (CARES) Act (Pub. L. 116–136), which was signed into law on March 27, 2020, and subsequently was revised and expanded by other statutes.

Borrowers can appeal to the Office of Hearing and Appeals (OHA) certain final Small Business Administration (SBA) loan review decisions issued under the Paycheck Protection Program (PPP).

An appeal petition must be filed with OHA within 30 calendar days after the appellant's (borrower's) receipt of the final SBA loan review decision.

So, in summary, if you receive a denial letter from your lender (bank) / SBA

- ✓ Process for requesting “second” review
- ✓ An appeal petition must be filed with SBA's Office of Hearings and Appeals (OHA) **within 30 calendar days** after the borrower's receipt of the final SBA loan review decision.
- ✓ Copy of final SBA loan review letter
- ✓ Copy to lender

For navigating this process, the SBA has a GREAT resource (PowerPoint presentation) entitled, “Borrower Guide 101” that may be found at:

[https://sba-forgiveness-docs.s3-us-gov-west-1.amazonaws.com/Borrower+SBA PPP Forgiveness Appeals Guide.pdf](https://sba-forgiveness-docs.s3-us-gov-west-1.amazonaws.com/Borrower+SBA+PPP+Forgiveness+Appeals+Guide.pdf)