

LEGAL UPDATES

PUBLISHED: FEBRUARY 24, 2021

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SBA Now Accepting PPP Applications from Businesses with Fewer Than 20 Employees

Starting Wednesday, February 24, the Small Business Administration (SBA) will open a 14-day Paycheck Protection Program (PPP) loan application period exclusively for businesses and nonprofits with fewer than 20 employees.

To ensure equity in PPP loan disbursement, the Biden Administration made additional changes to the Program, including:

Allowing sole proprietors, independent contractors, and self-employed people to receive a PPP loan.

Eliminating the restriction on PPP access for small business owners with prior non-fraud felony convictions.

Eliminating student loan debt delinquency as a disqualifier for participating in PPP.

Ensuring access for non-citizen small business owners who are lawful U.S. residents by allowing those proprietors to use an Individual Taxpayer Identification Number (ITIN) to apply for PPP.

These policy changes come on the heels of numerous reports that loans to minority-owned businesses were delayed in the previous implementation of PPP relief. According to an Associated Press article published December 31, “Thousands of minority-owned small businesses were at the end of the line in the government’s coronavirus relief program as many struggled to find banks that would accept their applications or were disadvantaged by the terms of the program.” As minority-owned and small businesses continue to weather the

COVID crisis, these policy changes can relieve some of the financial burdens these proprietor's shoulder.

The exclusive PPP application period for businesses with 20 or fewer employees opens Wednesday, February 24 and ends March 10, 2021. Guidance for small businesses, including finding lenders and identifying loans, can be found [here](#).

Contact us

For more information on the loan application period for businesses and nonprofits with fewer than 20 employees, contact Lowell Pearson, Natalie Holden, Bola Adeniran or your Husch Blackwell attorney.

For more information on HB Communities for Change, our initiative to promote equity, inclusion and justice in the communities we serve, contact Quinncy McNeal.