

Paycheck Protection Program Flexibility Act of 2020

1. Minimum maturity of 5-years, effective date of enactment for any loan made on or after such date; previously 2-years
2. Covered period for loans ends 12/31/2020; previously 06/30/2020
3. Covered period is 24-weeks from funding OR 12/31/2020; previously 8-weeks
4. Exemption based on employee availability
 - **02/15/2020 - 12/31/2020 shall not impact forgivable amounts if;**
 - ✓ In good faith, inability to rehire employees previously employed on 02/15/2020; and
 - ✓ Inability to hire similarly qualified employees for unfilled positions on or before 12/31/2020; or
 - ✓ Can document inability to return to the same level of business activity compared to activity before 02/15/2020 due to compliance with requirements established or guidance issued by HHS, CDC or OSHA from 03/10/2020 - 12/31/2020 regarding sanitation, social distancing or any other worker or customer safety requirement related to COVID-19
5. Loan utilization is at least 60% for payroll costs and no more than 40% for eligible business expenses; previously 75/25
6. New subsection "(1) Application to certain eligible recipients – An eligible recipient that received a covered loan before the date of enactment of this subsection may elect for the covered period applicable to such covered loan to end on the date that is 8-weeks after the date of the origination of such covered loan."
7. Deferral of principal, interest and fees until forgiveness is remitted to the lender; previously the deferral was 6 months
8. If a borrower does not apply for forgiveness the deferral is 10-months after 12/31/2020
 - **Amendments made by this section shall be effective as if included in the CARES Act**
9. Deferral of employer's portion of Social Security Taxes is allowed EVEN IF forgiveness is given under PPP; previously only allowed until forgiveness was approved