



U.S. Small Business
Administration

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Contact: press_office@sba.gov, www.sba.gov/news

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The SBA Takes Steps to Improve First Draw Paycheck Protection Program Loan Review

WASHINGTON – The [U.S. Small Business Administration](https://www.sba.gov) is taking steps to improve the First Draw Paycheck Protection Program loan review so that small businesses have as much time as possible to access much needed PPP funds. The Biden-Harris Administration is focused on ensuring small businesses receive the support they need to keep their doors open and continue to employ millions of Americans across the country. The Administration is working with the Agency to identify immediate solutions to address eligibility, compliance, integrity, and promote transparency.

While reviewing the initial draw of PPP loans, anomalies – mostly data mismatches and eligibility concerns – were identified in approximately 4.7% of the lender-submitted data. These concerns will require follow-up between the lender and the borrower so that borrowers can access a second round of loans.

The SBA is committed to working with lenders and eligible borrowers to provide the necessary information for follow-up and help get small businesses back on track so that they're able to receive another round of PPP loans swiftly. The SBA encourages borrowers and lenders to work together as quickly as possible to resolve the issues. The SBA will automatically move favorable decisions to approval. During the newest round of PPP, the SBA has already approved over 400,000 loans for approximately \$35 billion.

“Prior to this newest PPP round, the SBA supported 5.2 million PPP loan borrowers, providing more than \$525 billion in economic relief to small businesses and other eligible entities. The Agency is committed to making sure compliance checks are executed on the front-end. The SBA is also committed to addressing issues more efficiently moving forward, to ensure fair and equitable access to small businesses in every community,” said [SBA Acting Administrator Tami Perriello](#).

The SBA is immediately addressing the PPP loan review to allow for Second Draw PPP loan applications to be processed in an efficient manner by:

- (1) Hosting a national call to brief lenders on the Platform's additional detailed information that will assist in the resolution of First Draw PPP loan review and potential holds that impact Second Draw PPP loan application approvals

- (2) Equipping the Agency's field team of lender relations specialists with information so they can provide support to lenders and borrowers in understanding the issues and facilitating the appropriate responses to resolve
- (3) Providing additional guidance to PPP lenders on the review and resolution process

Through SBA's [68 district offices](#), the Agency will work in close partnership with the Administration to further leverage its [resource partner network](#) and expand on [multilingual](#) access and outreach about the PPP. Updated PPP information, including forms, guidance, and resources is at www.sba.gov/ppp and www.treasury.gov/cares.

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About the U.S. Small Business Administration

The U.S. Small Business Administration makes the American dream of business ownership a reality. As the only go-to resource and voice for small businesses backed by the strength of the federal government, the SBA empowers entrepreneurs and small business owners with the resources and support they need to start, grow or expand their businesses, or recover from a declared disaster. It delivers services through an extensive network of SBA field offices and partnerships with public and private organizations. To learn more, visit www.sba.gov.