# Paycheck Protection Program

Technical Webinar

PPP Originations

Not intended to convey policy guidance or direction

January 8th, 2021

Origination Overview

- **To support the expanded Economic Aid Act, the SBA is leveraging the modern Forgiveness platform chassis to provide a streamlined interface for originating PPP loans into ETRAN.**

- **This has allowed the SBA to purpose build a PPP (First Draw) and PPS (Second Draw) application process. Direct ETRAN PPP origination will not be available.**

- **The updated platform also makes available additional utilities to help the Lending community better validate application data before submission.**

- **Platform Supports:**
  - **High Volume - PPP Loan Origination - API**
  - **Checking Status - API**
  - **Understanding Enhance Validation Results (Public Record Search, Do Not Pay)**
  - **Address Validation Utilities**
  - **Previous PPP Lookup Tools**
 - **Franchise API**
  - **NAICS Code Validation APIs**
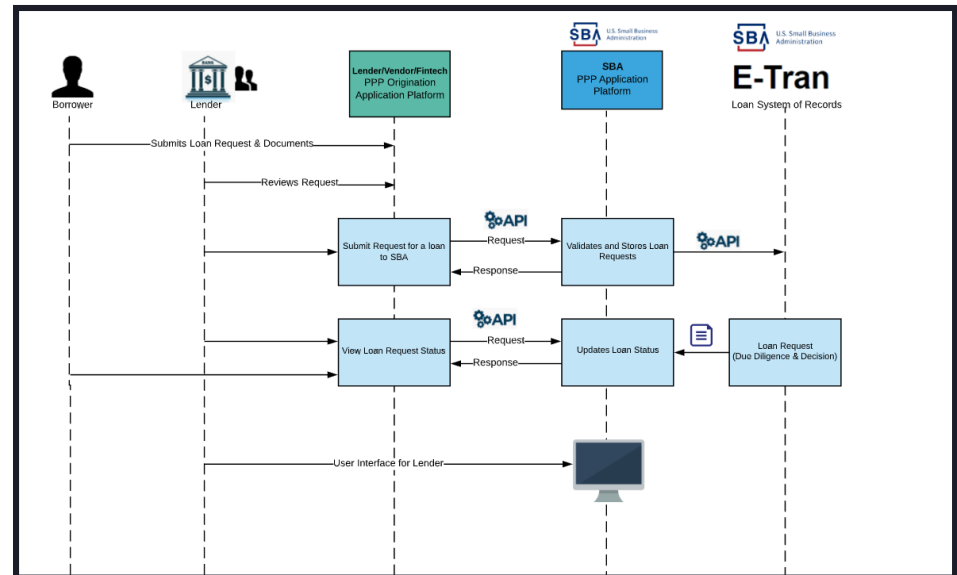
Documentation

- **Public GitHub:** **https://ussbappp.github.io/index.html**

- **Access & Strategy: Forgiveness access and authentication will be leveraged for origination. Additional enablement required for origination users and permissions.**

- **PPP Loans are booked at the Lender HQ Location ID – this will be automatically handled (through the combination of the Auth Token provided by Bank AO, and certified Bank Vendor Key).**

- **Lenders who have existing Lender Agreements will be enabled for origination on the Platform. This will allow Lenders/Vendors to book PPP loans into ETRAN.**

- **The Bank AOs will need to provide explicit permission for users to see the origination functions.   Users that have Forgiveness will not be grandfathered to originate PPP through the platform. Bank's can begin enabling access during the full launch. CFIs during the software launch (Week of January 11)**

Relevant Flows – Submit PPP Loan
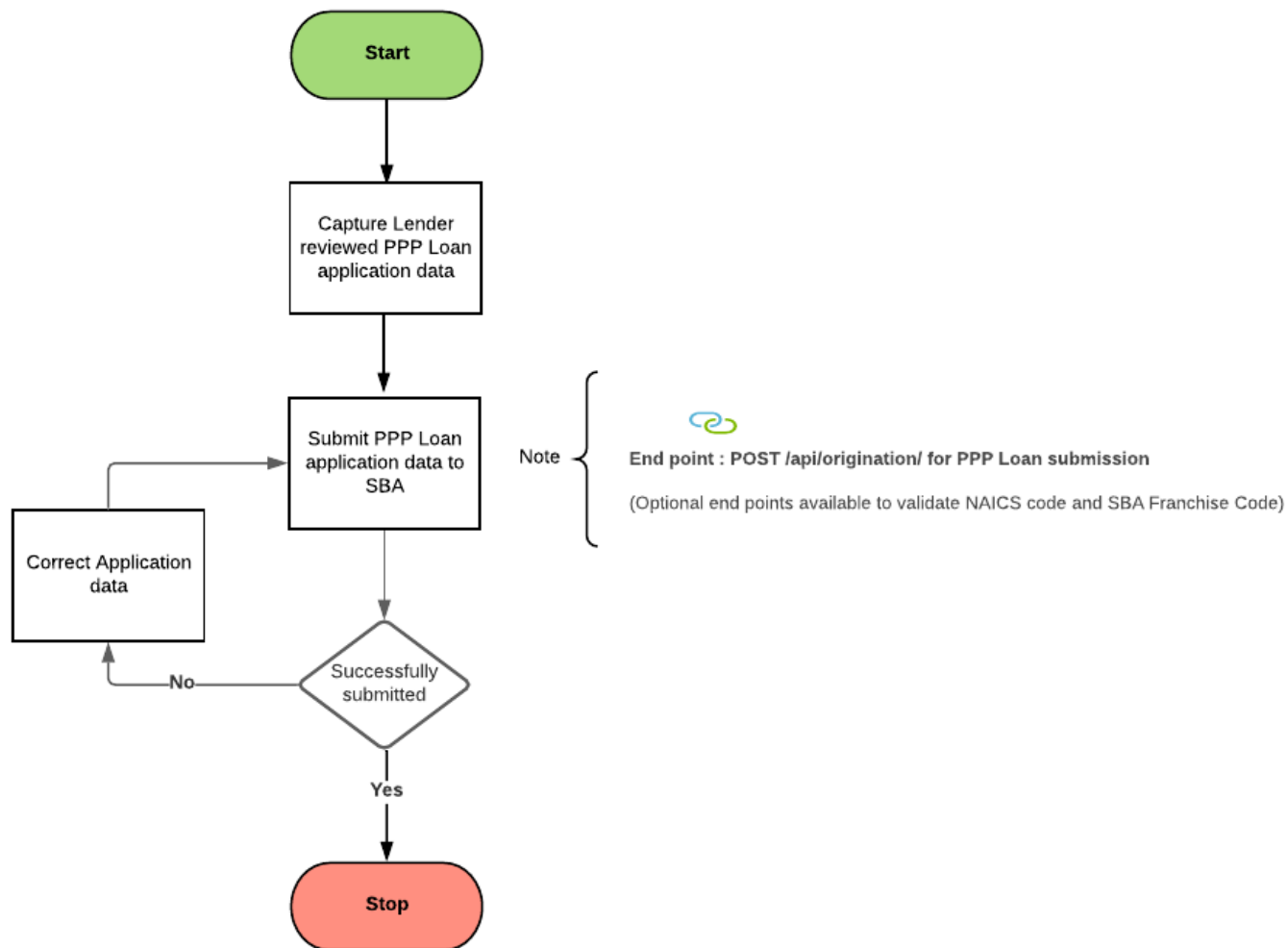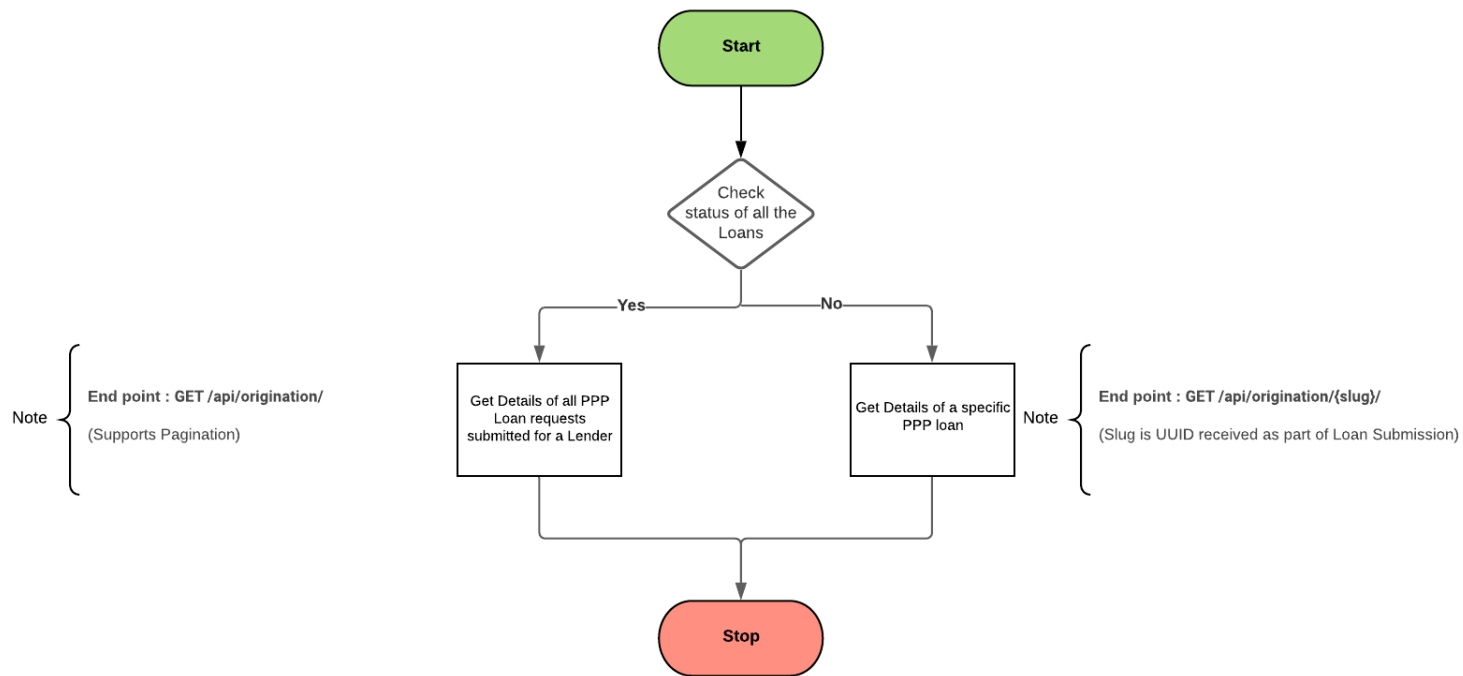
Relevant Flows – Check Status of PPP
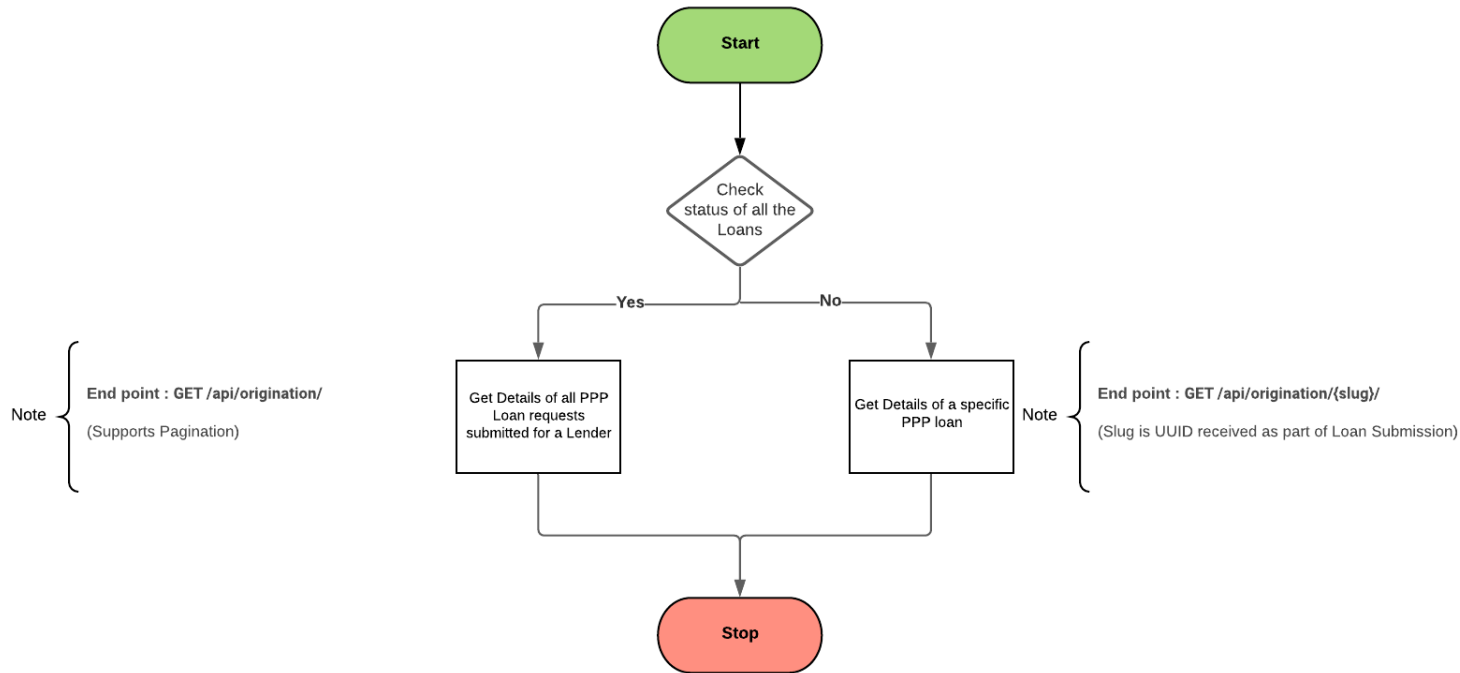
Status Options:

1. Borrower TIN + Type (SSN, or EIN)
2. Slug
3. Status

Relevant Flows – Withdrawal PPP Loan

Status Options:

1. Slug
2. Available only pre-decisional status

Other APIs

1. **Get NAICS Codes** – Provides NAICS information for purposes of supporting application requirements.
2. **Get All Franchise** - API provides list of franchise listed in SBA's Franchise Directory
3. **Get PPP Loan Validation** – provides the ability to see and validate first draw PPP loans
4. **Address Validation API –** see next page for more details
5. **EIDL Loan validation API –** Validates EIDL Loan number (Jan 31st to April 03rd)

Key Context

In support the Economic Aid Act, additional diligence and validation is being conducted on submissions.

1. This will result in a delay between the period of submissions and the final return of an SBA number.
2. This delay will be based on batch processing. In addition, should validations fail, the resulting reasons will be displayed to the lender with an opportunity to withdrawal, or address the exceptions. This is expected to be small and facilitated through the UI platform.

Address API Validation

- This API is used to validate and get standardized addresses along with Zip+4. API users may use it to ensure addresses are valid before submitting Loan requests to the SBA and normalize street address formats (Rd, St, Alley etc). This is not a requirement to complete before submission, although a best practice.

- While we recommend all addresses be validated before submission, you may still submit an origination request if the address fails validation but has been confirmed valid by the lender.

- Upon submission, the platform will automatically validate and standardize addresses before booking into ETRAN. If we can't find a Zip + 4, the platform will leverage the current SBA address validation rules which are more flexible (City/Zip Combinations) – often used to account for US territories.

- If the address is not valid after this final address check by the SBA, we will return a failed validation message which will require resubmission by the Lender.

- The Platform UI also has type ahead validation to support ease of use by Lenders.

Sample:

/api/api/address_validation?address_1=101 ABC Lane&address_2&city=Newark&state=delaware&zip_code=19701

Testing Approach

- **Authentication** - If you already have Forgiveness API & vendor keys, same keys can be used for PPP Origination as well. (You don't need new API keys). Please contact developer@ussbaforgiveness.com if you have any questions on API keys.

- **Endpoint** - for testing **-** https://sandbox.forgiveness.sba.gov/

- **Specifications** - API specs available on GitHub page - https://ussbappp.github.io/index.html

- **Sample client code** - for reference **–** Github Repo - sample code (Java, Python and C#)

- **Test Data**

  EIN/SSN - To avoid stepping on each other's test Loan submission, we strongly recommend that EIN/SSN of your test data Borrower should

      start with 4 digit Vendor id assigned to you. (You can see your vendor id in your box folder used during Forgiveness)

        Example -

Vendor ID	EIN/SSN Number allowed for testing	EIN/SSN Number **not** allowed for testing
XYZ_Bank_9142	**9142**00001	**8**14200001

  Second Draw testing – Please refer to GET /api/etran_ppp_validation?sba_number for first draw SBA number validation. We will provide test numbers on GitHub

    NAICS / Franchise / Address validation – Please refer to Github page for end point which will provide valid data

    EIDL Loan Validation – We will have test EIDL loan number available on Github for you to use

- **Testing support** – Please open a ticket with developer@ussbaforgiveness.com if you have any questions or need Loan status change data conditioning support

SBA

Guidance to ensure better quality input and PPP Loan Booking

Borrower Type

16: Self Employed
17: Independent Contractors

SSN is Enforced with
Full Name Required
EIN is NOT Allowed and
Business Name NOT Allowed

API:
"business": {
 "business_type": 16,17 ,

6: Professional Association
13: ESOP

EIN is Enforced with
Business Name Required
SSN is NOT Allowed
Full Name is NOT Allowed

API:
"business": {
 "business_type": 6,13 ,

1: Sole Prop

EIN is Allowed or SSN is Allowed
Full Name is Allowed
Business name is NOT Allow

API:
"business": {
 "business_type": 1 ,

4: LLC
5: Joint Venture
7: Trust
12: Tenant in Common

EIN is Allowed with
Business Name or
SSN is Allowed
With Full Name.

API:
"business": {   "business_type":
4,5,7,12 ,

2: Partnership   **14: Non-Profit**
3: C-Corp   **Child Care**
8: Co-Op   **15: ROBS**
9: LLP   **21-23: 501c**
10: S-Corp   **24: Tribal Concerns**
11: Non-Profit   **25: Housing Co-Op**

EIN is Enforced with
Business name is Required
SSN is NOT Allowed
Full Name is NOT Allowed

API:
"business": {   "business_type": All Others

Owner Type

Owner Type: Person

SSN is Enforced
EIN is Not Allowed
Full Name Required
Business Name Not Allowed

Owner Type Person Enforced

"business": {
    owners": [
    {
     "owner_type": 1

Owner Type: Business

EIN is Enforced
SSN is not Allowed
Business Name is Required
Full Name Not Required
Business Type: 1,16,17 not allowed

Owner Type Flexibility

"business": {
    owners": [
    {
     "owner_type": 2
"business _type": All, but 1,16,17

Principal Discussion / Context of Demographic

Definition of Principal. The term "Principal" means:

- For a self-employed individual, independent contractor, or a sole proprietor, the self-employed individual, independent contractor, or sole proprietor.
- For a partnership, all general partners and all limited partners owning 20% or more of the equity of the Borrower, or any partner that is involved in the management of the Borrower's business.
- For a corporation, all owners of 20% or more of the Borrower, and each officer and director.
- For a limited liability company, all members owning 20% or more of the Borrower, and each officer and director.
- Any individual hired by the Borrower to manage the day-to-day operations of the Borrower ("key employee").
- Any trustor (if the Borrower is owned by a trust).
- For a nonprofit organization, the officers and directors of the Borrower.

Roll-Out Planning

Integration Strategy:

Industry Webinar: January 8th, 2020

- Procedural Notice
- Form Introductions & Technical Briefing with Vendors

Borrowers Begin to Engage Lenders

- Lenders to begin accepting applications from Borrowers with updated forms once available.

CFI Pilot Lenders: Target: Week of January 11th, 2020

- Engage CDFIs to allow them to begin engaging in platform and submitting New PPP Applications. First Draw Priority

Full Availability:

- New PPP Loans available for mass submission
- Refine and optimize as we gain more volume into the platform.

Technical Support:

Communication and Training for Stakeholders

Sandbox Update with New Code

(Box Folders with Test Data)

Support Fintech/Vendor Integrations

Refine and Optimize Program with Industry Collaboration

Phone: SBA PPP Lender Hotline – +1 (833) 572-0502

Email: SBA PPP Inbox – help@ussbaforgiveness.com

PPP Platform Resources: https://forgiveness.sba.gov

Web: www.SBA.gov

- FAQs
- Policy/Program Guidance & Interim Final Rules
- PPP Applications Forms
- Application Instructions