



U.S. Small Business
Administration

Paycheck Protection Program PPP Platform Updates

Technical / API Updates

Date: Feb 16th, 2021

Agenda

- Recap and Platform Updates
- Not Approved – Lender Certification Process
- Platform updates
- Forgiveness Updates
- Industry Feedback
- Q & A

Recap

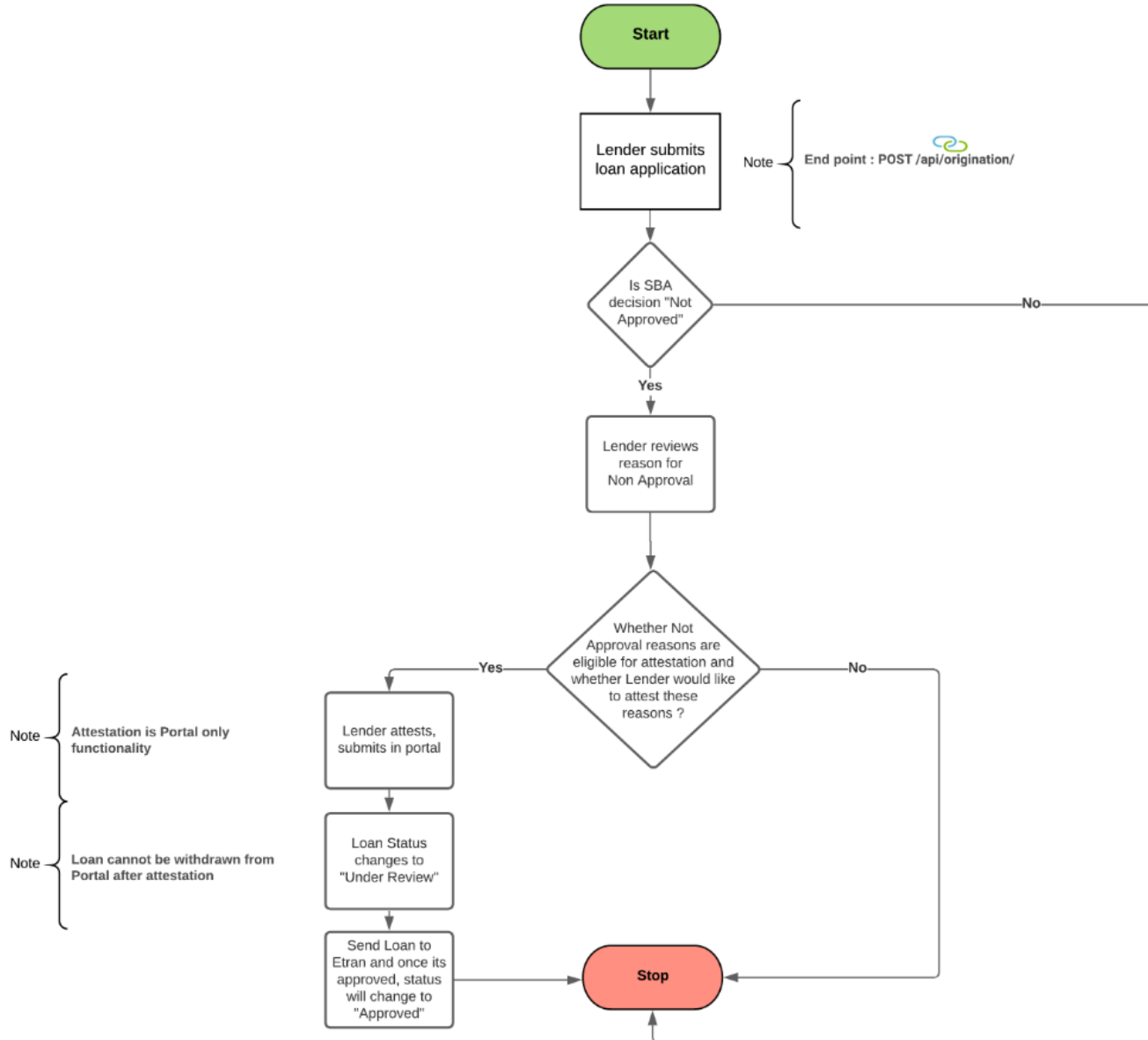
- We continue to see positive momentum with vendors and lenders calling and exercising all the API endpoints.
- Most Current PPP Report: 1,510,535 approvals @ \$115.3B (as of 2/11)
 - <https://www.sba.gov/funding-programs/loans/coronavirus-relief-options/paycheck-protection-program/ppp-data>

Platform updates

No.	Category	Update
1	Not Approved (Lender Certification)	<ul style="list-style-type: none">• Lender Certification process to support the resolution of Compliance Check Error Messages

- GitHub Page:
 - [Forgiveness - https://ussbaforgiveness.github.io/](https://ussbaforgiveness.github.io/)
 - [Origination - https://usbapppp.github.io/](https://usbapppp.github.io/)
- Feel free to reach out to developer@ussbaforgiveness.com, for technical questions

Not Approved Processing



Lender Name	Borrower Name	Submission Confirmation ID	PPP Phase	SBA Application ID	SBA Number	Lender Application Number	Loan Amount	Status	Created	SBA Decision Date
XYZ_Bank	Borrower	e4f600189874	Second Draw			123456789	\$ 55,000.00	Not Approved by SBA	01/19/2021	

GET <https://forgiveness.sba.gov/api/origination/?status=Not Approved by SBA>

```

},
"created_at": "2021-01-20T20:59:36.561345Z",
"validation_errors": "[{"Code": "506", "Reason": "Dormant Business Identified"}]",

```

Please Review the Information Below

Lender has obtained from the borrower and/or other sources, and has reviewed, all information and documentation necessary to resolve the issue(s) underlying each of the Compliance Check Error Message(s) and Hold Code(s) checked below:

- 506 - Dormant Business Identified

The Compliance Check Error Message(s) and Hold Code(s) have been resolved in accordance with Paycheck Protection Program guidance.

Except for any Compliance Check Error Messages or Hold Codes that require SBA resolution, the Lender has resolved all Compliance Check Error Message(s) and Hold Code(s) generated for this loan guaranty application.

Lender will retain the information and documentation supporting this certification in its files for the period required by Paycheck Protection Program document retention requirements. Lender will provide the information and documentation to SBA when Lender submits a forgiveness decision or guaranty purchase request, or upon SBA request, so that SBA can review the information and documentation in connection with a loan or lender review or a guaranty purchase review.

Lender acknowledges that SBA is allowing the loan guaranty application to proceed in reliance upon this certification.

I am an Authorized Lender Official and I am authorized to issue this certification on behalf of the Lender.

[Submit Lender Certification](#)

Other Platform Updates

Employee count to loan calculation

The API and UI enforce that the loan cannot exceed more than 35K per employee for first draw (\$45K per employee for second draw) during the calculation period. This validation routine is an effort to help ensure appropriate loan amounts are enforced within the system, yet still allow for appropriate variances.

Validation routine:

- a) First draw Loan - Loan amount should be equal to (2.5 times average monthly payroll + EIDL refinance (if applicable))
 - b) Second draw loan - Loan amount should be equal to (2.5 times average monthly payroll) for all businesses except for Restaurants. For Restaurants with NAICS code starting with 72 (3.5 times average monthly payroll)
- **For First draw:** Above calculated loan amount should be $\leq (\$35,000 * \text{No of employees}) + (\text{EIDL refinance (if applicable for first draw only)})$
 - **For Second draw:** Above calculated loan amount should be $\leq (\$45,000 * \text{No of employees})$

Production API Exception

API	End Point/Method	Observation	Recommendation
Look up PPP Loan	GET <code>/api/origination/{slug}/</code>	NotFound: Invalid page. (Looking for Loan which has already been withdrawn)	Client application should mark loan status at their end, once it has been withdrawn. Recommend not looking for withdrawn loans in SBA system

Forgiveness – Payment Notification letter

Lender Name	Borrower Name	SBA Number	Disbursement Date	Loan Amount	Final Forgive Amount	SBA Decision Date	Calculated Interest	EIDL Advance Reduction Amount	Payment	Payment Date	Payment Batch	Payment Status	SBA Decision	Notification Letter	Adjustments
Bank	Borrower	123456789	04/17/2020	\$ 16,600.00	\$ 16,600.00	11/20/2020	\$ 92.75	\$ 1,000.00	\$ 15,692.75	11/20/2020	PF011201	Payment Confirmed	Fully Approved	Download	\$ 1,008.22

https://forgiveness.sba.gov/api/ppp_loan_forgiveness_requests/

```

{
  "slug": "0e0493xx-d83y-4651-ad35-7972431347z5",
  "name": "Payment Confirmation for Auto Approved Loans",
  "created_at": "2020-11-23T18:09:26.489623Z",
  "updated_at": "2020-11-23T18:09:26.489648Z",
  "url": "https://forgiveness.sba.gov/loans/doc_download/0e0493xx-d83y-4651-ad35-7972431347z5",
  "document": "https://lenders-cooperative-prod-app.s3.us-gov-west-1.amazonaws.com/media/loan/0e0493xx-d83y-4651-ad35-7972431347z5/files/Payment_Confirmation_for_123456789.pdf?AWSAccessKeyId=AKIAQ2EGUESVRCUR5",
  "etran_loan": "5255386z-fa86-464c-889d-fc547e3b4e08",
  "document_type": {
    "id": 32,
    "name": "Payment Confirmation",
    "description": "Document generated by the system when a payment is completed"
  }
}

```



SMALL BUSINESS ADMINISTRATION
WASHINGTON, DC 20416

NOTICE OF PAYCHECK PROTECTION PROGRAM FORGIVENESS PAYMENT

Borrower: Borrower Name
Lender of Record: Lender Name
SBA Loan No.: 123456789
Loan Approval Date: 04/15/2020
Loan Disbursement Amount: \$ 16,600.00

Amount of Forgiveness Requested by Lender: \$ 16,600.00
Economic Injury Disaster Loan Advance Deduction: \$ 1,000.00
Forgiveness Amount Remitted: \$ 15,600.00 in principal and \$ 92.75 in interest

Forgiveness – Payment Adjustment letter

Lender Name	Borrower Name	SBA Number	Disbursement Date	Loan Amount	Final Forgive Amount	SBA Decision Date	Calculated Interest	EIDL Advance Reduction Amount	Payment	Payment Date	Payment Batch	Payment Status	SBA Decision	Notification Letter	Adjustments
Bank	Borrower	123456789	04/17/2020	\$16,600.00	\$16,600.00	11/20/2020	\$92.75	\$1,000.00	\$15,692.75	11/20/2020	PF011201	Payment Confirmed	Fully Approved	Download	\$1,008.22

Adjustments for SBA Loan # 123456789

Payment Amount	Payment Date	Status	Payment Batch	Notification Letter
\$1008.22	02/11/2021	Payment Confirmed	PF102112	Download

https://forgiveness.sba.gov/api/ppp_loan_forgiveness_requests/

```

"documents": [
  {
    "slug": "6112a7e7-3a3c-4504-9682-544d3575650e",
    "name": "Payment Confirmation for Payment Correction",
    "created_at": "2021-02-12T18:17:05.928094Z",
    "updated_at": "2021-02-12T18:17:05.928116Z",
    "url": "https://forgiveness.sba.gov/loans/doc_download/6112a7e7-3a3c-4504-9682-544d3575650e",
    "document": "https://lenders-cooperative-prod-app.s3.us-gov-west-1.amazonaws.com/media/loan/6112a7d7-3a3b-4504-9682-544d3575650e/files/Payment_Correction_for_123456789.pdf?AWSAccess",
    "etran_loan": "5255380e-1e86-464b-889a-1c547c3a1a08",
    "document_type": {
      "id": 37,
      "name": "Payment Correction Confirmation",
      "description": "Document generated by the system when a payment correction is completed"
    }
  }
],

"adjustments": [
  {
    "payment_amount": 1008.22,
    "payment_date": "2021-02-11",
    "status": "Payment Confirmed",
    "payment_batch": "PF102112",
    "payment_confirmed_at": "2021-02-11",
    "document": "6112a7d7-3a3b-4504-9682-544d3575650e"
  }
],

"total_adjustments": 1008.22

```



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**NOTICE OF PAYCHECK PROTECTION PROGRAM
RECONCILIATION PAYMENT**

Reconciliation Payment Amount Remitted to Lender: \$1,008.22 which includes principal and interest for the reconciliation payment
Reconciliation Payment Date: 02/11/2021




Forgiveness Updates

- Starting 03/05, only new forms and corresponding fields will be accepted. Please process all Forgiveness forms in your backlog.
- Many lenders have a large number of legacy forms in their pipelines, and we want to be sensitive to this timing. SBA is allowing for this window.
- Sandbox and Production - Proposed implementation dates below:

Change	3508	3508EZ	3508S	Proposed Sandbox Date	Proposed Production Date	Status
3508S to be made available for loans up to \$150,000			X	1/22/2021	1/22/2021	Implemented
Add indicator to reflect whether Forgiveness is for First draw or Second draw Loan	X	X	X	1/31/2021	3/5/2021*	
Covered Period - Change from 8 or 24 weeks to between 8 to 24 weeks	X	X	X	1/31/2021	3/5/2021*	
Add NAICS code	X	X	X	1/31/2021	3/5/2021*	
Add Checkbox indicating whether Borrower (Together with Affiliates) received PPP loans of \$2 MM or More			X	1/31/2021	3/5/2021*	
Add Amount of Loan Spent on Payroll Costs			X	1/31/2021	3/5/2021*	
Remove Alternative Payroll Covered Period start and end dates	X	X		1/31/2021	3/5/2021*	
Remove Payroll schedule (weekly, bi-weekly etc.)	X	X	X	1/31/2021	3/5/2021*	
Remove EIDL advance amount	X	X	X	1/31/2021	3/5/2021*	Implemented - UI
Remove EIDL advance application #	X	X	X	1/31/2021	3/5/2021*	Implemented - UI
Add new non payroll expenses in lines 5-8, cascading changes to calculations	X	X		1/31/2021	3/5/2021*	

* To enforce / breaking changes

Industry Feedback & Policy Items

Feedback Items	Guidance
NAICS codes valid in IRS tax forms may not be accepted since they are not defined in SBA NAICS list	SBA has guided to utilize the NAICS found in the SBA/Online sources.
SBA Hold Reasons and process is not transparent to lenders 	SBA now provides lenders with detail hold reasons and actionable resource to clear First Draw Loans. SBA is clearing these holds upon confirmation and supporting documentation from Lenders. Positive feedback from Lenders on this process expansion.
Foreign address or iTIN not supported	Previous guidance has remained unchanged at this point. No ability to fully verify identity of these owners.
Loan cannot exceed more than 35K per employee 	Controls remains in-place to govern max loan amount controls within the agency. For second draw, it has been increased to 45K per employee.
More robust data controls and entity enforcement structure for this round than previous PPP Loans.	Data quality controls during this round are important to ensure back-end public record searches remain at their highest quality. Agency continues to work toward optimization where possible.
SBA Not Approved Loans 	SBA introduced Lender Certification process to support the resolution of Compliance Check Error Messages
Forgiveness Form Updates	Transition period is being supported by SBA to provide large lenders time to work through the backlog of old forms. A balancing act to allow old form submission with allowance for dollar amounts of new 3508S.