SMALL BUSINESS ADMINISTRATION

Data Collection Available for Public Comments

AGENCY: Small Business Administration

ACTION: 60-day notice; request for comments.

SUMMARY: The Small Business Administration (SBA) is publishing this notice in compliance with the Paperwork Reduction Act (PRA) of 1995, as amended, to solicit public comments on the information collection described below. The PRA requires publication of this notice before submitting the information collection to the Office of Management and Budget (OMB) for review and approval.

DATES: Submit comments on or before [INSERT DATE 60 DAYS AFTER DATE OF PUBLICATION IN THE FEDERAL REGISTER.]

ADDRESSES: Comments should refer to the information collection by title or OMB Control Number (3245-0407) and submitted by the deadline above to: PPP_Info_Collections@sba.gov.

FOR FURTHER INFORMATION CONTACT: You may obtain information including a copy of the forms and supporting documents from the Agency Clearance Officer, Curtis Rich, at (202) 205-7030, or curtis.rich@sba.gov, or from Adrienne Grierson, Program Manager, Office of Financial Program Operations, at 202-205-6573, or adrienne.grierson@sba.gov.

SUPPLEMENTARY INFORMATION:

Background

Section 1102 of the Coronavirus Aid, Relief, and Economic Security (CARES) Act, Public Law 116-136, authorized SBA to guarantee loans made by banks or other financial institutions under a temporary program titled the “Paycheck Protection Program” (PPP). These loans were available to eligible small businesses, certain non-
profit organizations, veterans' organizations, Tribal business concerns, independent contractors, and self-employed individuals adversely impacted by the COVID-19 Emergency. SBA’s authority to guarantee PPP loans expired on August 8, 2020. On December 27, 2020, SBA received reauthorization under the Economic Aid Act, Public Law 116-260, to resume guaranteeing PPP loans through March 31, 2021. The Economic Aid Act also allowed certain eligible borrowers to receive a second draw PPP loan and amended certain other PPP statutory provisions. On March 11, 2021, the American Rescue Plan Act, Public Law 117-2, was enacted, amending various PPP statutory provisions. On March 30, 2021, the PPP Extension Act of 2021 was enacted, extending the SBA’s PPP program authority through June 30, 2021.

Subject to certain limitations, proceeds of a PPP loan may be used for payroll costs, costs related to the continuation of group health care, life, disability, vision or dental benefits during periods of paid sick, medical or family leave and group health care, life, disability, vision, or dental insurance premiums, mortgage interest payments, rent payments, utility payments, interest payments on other debt incurred prior to February 15, 2020, refinancing of an eligible SBA Economic Injury Disaster Loan, covered operations expenditures, covered property damage costs, covered supplier costs, and covered worker protection expenditures. Under section 7A of the Small Business Act, a PPP loan may be forgiven in full or in part if the PPP borrower used the proceeds for the eligible purposes during the loan forgiveness covered period.

Since the initial approval on April 6, 2020, this information collection has been amended multiple times to meet the ever-evolving needs of the program, as necessitated by statutory program amendments, public feedback, or other factors. The information collection is currently approved under the emergency procedures authorized by 44 U.S.C. 3507(j) and 5 CFR 1320.13; this approval is set to expire on September 30, 2021. As required by the Paperwork Reduction Act, SBA is publishing this notice as a prerequisite
to seeking OMB’s approval to use this information collection beyond September 30, 2021.

SBA has received multiple comments on this information collection. A substantial number of the commenters focused almost exclusively on SBA Form 3509, “Loan Necessity Questionnaire (For-Profit Borrowers)” and SBA Form 3510, “Loan Necessity Questionnaire (Non-Profit Borrowers)” and urged SBA to remove them from the collection and not impose additional reporting requirements on Borrowers. After extensive evaluation, SBA is discontinuing the use of these two forms.

Because SBA’s authority to guarantee PPP loans expired on June 30, 2021, SBA will no longer be approving new lenders to participate in PPP. For that reason, SBA is removing SBA Form 3506, “CARES Act Section 1102 Lender Agreement” and SBA Form 3507, “CARES Act Section 1102 Lender Agreement – Non-Bank and Non-Insured Depository Institution Lenders.”

Except for the four forms identified above, all other components of this information collection will still be needed for various reasons, including reporting by lenders, ongoing loan reviews and requests for loan forgiveness. SBA is proposing to make the following amendments to the information to be collected after expiration of the program authority:

(A) SBA Form 3508, “Paycheck Protection Program, Loan Forgiveness Application Form 3508” and Instructions; SBA Form 3508EZ “Paycheck Protection Program, PPP Loan Forgiveness Application Form 3508EZ” and Instructions; and SBA Form 3508S, “Paycheck Protection Program, PPP Loan Forgiveness Application Form 3508S” and Instructions:

- Revise to reflect changes made to the calculation of payroll costs by Schedule C filers under the interim final rule titled “Business Loan Program Temporary
Changes; Paycheck Protection Program Revisions to Loan Amount Calculation and Eligibility” (86 FR 13149, March 8, 2021).

- Revise to incorporate payroll cost exclusions required by the American Rescue Plan Act.
- Add fields to capture the amount and date of a loan increase.
- Delete the question (and related instructions) asking if the borrower together with affiliates has $2 million or more in PPP loans.
- Add Individual Taxpayer Identification Number (ITIN) to the header of the “Business TIN” field.
- Relocate the optional demographic information collection box to earlier in the form.

(B) SBA Form 3508S, “Paycheck Protection Program, PPP Loan Forgiveness Application Form 3508S” and Instructions only:

- Identify data fields that will be pre-populated when a PPP borrower submits an electronic version of the SBA Form 3508S via SBA’s Paycheck Protection Platform (SBA’s Platform).
- Add instructions regarding submission of an electronic version of the SBA Form 3508S via SBA’s Platform.
- Add information about use of a COVID Revenue Reduction Score.

(C) SBA Form 3508D, “Paycheck Protection Program, Borrower’s Disclosure of Certain Controlling Interests”:

- Revise to allow for direct borrower submission of the form via SBA’s Platform.

(D) [No Form Number] “Lender Reporting Requirements Concerning Requests for Loan Forgiveness”:

- Provide an optional process for lenders to allow their PPP borrowers to submit an electronic version of SBA Form 3508S through SBA’s Platform.
- Provide an optional process for lenders to use SBA’s Platform to perform reviews of, issue forgiveness decisions on, and request forgiveness payments on SBA Form 3508S forgiveness applications submitted by their PPP borrowers.
- Provide an optional process for lenders to obtain and use a COVID Revenue Reduction Score to confirm revenue reduction for certain Second Draw PPP Loan borrowers.

(E) [No Form Number] “Lender Reporting Requirements for Loan Review”:

- Delete requirement for SBA to review all loans of $2 million or more.

**Summary of Information Collection**

Title: Paycheck Protection Loan Program Borrower Information Form and Lender's Application for Loan Guaranty.

OMB Control Number: 3245-0407.

(I) SBA FORM 2483—PAYCHECK PROTECTION PROGRAM BORROWER APPLICATION

Estimated Number of Respondents: 9,279,434.

Estimated Annual Responses: 9,279,434.

Estimated Annual Hour Burden: 1,237,258.

(II) SBA FORM 2483-C—PAYCHECK PROTECTION PROGRAM BORROWER APPLICATION FOR SCHEDULE C FILERS USING GROSS INCOME

Estimated Number of Respondents: 239,160.

Estimated Annual Responses: 239,160.

Estimated Annual Hour Burden: 31,888.

(III) SBA FORM 2484—PAYCHECK PROTECTION PROGRAM LENDER'S APPLICATION FOR 7(A) GUARANTY

Estimated Number of Respondents: 5,467.

Estimated Annual Responses: 9,218,594.
Estimated Annual Hour Burden: 3,841,081.

(IV) SBA FORM 3508—PAYCHECK PROTECTION PROGRAM—LOAN FORGIVENESS APPLICATION

Estimated Number of Respondents: 591,180.
Estimated Annual Responses: 591,180.
Estimated Annual Hour Burden: 1,773,539.

(V) SBA FORM 3508S, PAYCHECK PROTECTION PROGRAM—PPP LOAN FORGIVENESS APPLICATION FORM 3508S

Estimated Number of Respondents: 9,458,875.
Estimated Annual Responses: 9,458,875.
Estimated Annual Hour Burden: 2,364,719.

(VI) SBA FORM 3508EZ—PAYCHECK PROTECTION PROGRAM—PPP LOAN FORGIVENESS APPLICATION

Estimated Number of Respondents: 1,773,539.
Estimated Annual Responses: 1,773,539.
Estimated Annual Hour Burden: 591,180.

(VII) [FORM NUMBER N/A] LENDER REPORTING REQUIREMENTS CONCERNING REQUESTS FOR LOAN FORGIVENESS

Estimated Number of Respondents: 5,467.
Estimated Annual Responses: 11,823,594.
Estimated Annual Hour Burden: 2,107,121.

(VIII) [FORM NUMBER N/A] LENDER REPORTING REQUIREMENTS FOR SBA LOAN REVIEWS

Estimated Number of Respondents: 5,467.
Estimated Annual Responses: 2,000,000.
Estimated Annual Hour Burden: 1,000,000.
Solicitation of Public Comments

SBA invites the public to submit comments, including specific and detailed suggestions on ways to improve the collection and reduce the burden on respondents. Commenters should also address (i) whether the information collection is necessary for the proper performance of SBA's functions, including whether it has any practical utility; (ii) the accuracy of the estimated burdens; (iii) ways to enhance the quality, utility, and clarity of the information to be collected; and (iv) the use of automated collection techniques or other forms of information technology to minimize the information collection burden on those who are required to respond.

Curtis Rich,
Management Analyst.

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