

SBA Procedural Notice Addressing Second Draw PPP Loans

The Small Business Administration (SBA) has encountered multiple questions pursuant to the Paycheck Protection Program (PPP). As a result, SBA issued additional guidance to assist borrowers who incurred issues while applying for Second Draw PPP Loans. The information provided in this article should be treated as a brief summary of the SBA's most recent [SBA Procedural Notice 5000-20083](#).

Unresolved First-Draw Loans

As of January 27, 2021, borrowers seeking to apply for Second Draw PPP Loans, but have First Draw applications that remain unresolved, should submit a new application for a second loan. Any application submitted applies under this status will be immediately identified as "research". Borrowers should expect to submit additional documentation.

Once issues with First Draw PPP Loans are resolved, new Second Draw applications will be advanced. It is vital, however, that applicants respond to documentation requests as soon as possible in an effort to avoid delays in the review.

Rejected Applications

Second Draw PPP Loan applications that were submitted **before January 27, 2021**, and rejected due to an unresolved issue with a First Draw PPP Loan, should resubmit their applications in their entirety.

Contact Fraser Stryker for Assistance with Paycheck Protection Program Questions

We are here to help answer questions or talk with you about concerns you may have regarding Paycheck Protection Program loans during this time. Mark L. Brasee can be reached by email at mbrasee@fraserstryker.com or by phone at 402-978-5306.

Authored By: [Mark L. Brasee](#) and Dominique Johnson

This article has been prepared for general information purposes and (1) does not create or constitute an attorney-client relationship, (2) is not intended as a solicitation, (3) is not intended to convey or constitute legal advice, and (4) is not a substitute for obtaining legal advice from a qualified attorney. Always seek professional counsel prior to taking action.