Recommendations to Paycheck Protection Program Included in PPP Flexibility Legislation

Since the creation of the U.S. Small Business Administration’s Paycheck Protection Program (PPP) in the CARES Act, PMA and NTMA’s One Voice advocacy team has been working with Congress and the administration to address changes needed to the program, as identified by our members.

PMA and NTMA’s advocacy efforts, through the One Voice for Manufacturing program in Washington, D.C., resulted in many recommendations by our members included as provisions in the Paycheck Protection Program Flexibility Act, signed into law by President Donald Trump on June 5, 2020. One Voice recommendations that were part of the legislation include:

- Extending the PPP loan forgiveness period from eight weeks to 24 weeks after a loan is issued or through December 31, 2020, whichever comes first
- Extending from June 30, 2020, to December 31, 2020, the period in which loans can be forgiven if businesses restore staffing or salary levels that were previously reduced (deadline to apply remains June 30)
- Maintaining forgiveness amounts for companies that were unable to rehire employees or resume business levels as of February 15, 2020, or find similarly qualified workers by the end of the year
- Changing the limitation on forgiveness, by requiring businesses seeking loan forgiveness to spend at least 60 percent of covered funds on payroll expenses, rather than the 75 percent established by the SBA (75/25 ratio changed to 60/40)
- Allowing businesses with forgiveness loans to defer payroll taxes

The One Voice for Manufacturing team will continue to advocate for changes to the PPP to ensure that the program effectively supports our members and other small businesses.

Visit [www.pma.org/coronavirus](http://www.pma.org/coronavirus) for up-to-date COVID-19 information and guidance.