



When Does the 8 Week Period Begin?

Interim Final Rule Announced for Disbursement Requirements for the Paycheck Protection Program

On April 28, 2020, the Interim Final Rule on Disbursements clarified the start date of the eight-week period for the loan issued from the Paycheck Protection Program (PPP). It also addressed whether a recipient could take multiple draws on a PPP loan and thereby delay the start of the eight-week covered period. (The complete final ruling released by the U. S. Small Business Administration can be found by [clicking here.](#))

HOW THIS MAY IMPACT YOU

According to the U.S. Small Business Administration (SBA) the lender must make a one-time full disbursement of the PPP loan within 10 calendar days of loan approval. **The loan is considered approved when the loan is assigned a loan number by SBA.** For loans that were partially disbursed prior to the posting of the interim rule (4/28/20), transition rules apply:

- The ten calendar-day period described above begins on April 28, 2020
- The eight-week covered period began on the date of first disbursement

It goes on to say that lenders are not responsible for a borrowers delay in signing loan documents and after a 20 day period the loan will be cancelled. Lenders are required to report to SBA when the loans are fully disbursed via SBA Form 1502.

KatzAbosch will continue to provide additional in-depth updates around this matter. In the meantime, if you have questions or concerns on how any of the new provisions or available funding may impact your situation, please contact your KatzAbosch representative, or contact us by [clicking here.](#)

This update brought to you by: *Your trusted advisors at KatzAbosch*