
PRESS OFFICE

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SBA Announces Opening of Paycheck Protection Program Direct Forgiveness Portal

***New portal will streamline applications for loans \$150K or less Region 6
SBA South Central businesses***

WASHINGTON – The [U.S. Small Business Administration](#) is launching a streamlined application portal to allow borrowers with [Paycheck Protection Program \(PPP\)](#) loans under \$150,000 through participating lenders to apply for forgiveness directly through the SBA.

“The opening of this portal allows a simpler method for borrower and lender to meet the need of the business, lender and the agency,” said Region 6 Acting Administrator Herbert Austin.

This new change will help rush relief to over 6.5 million smallest of small businesses nationally, which has been the priority of SBA Administrator Isabel Guzman since day one.

The new forgiveness platform will begin accepting applications from borrowers on August 4th, 2021. Lenders are required to opt-in to this program through <https://directforgiveness.sba.gov>.

PeopleFund, a lender in Austin, TX, was one of the first lenders in the area to sign up for the new portal in order to speed their forgiveness process.

“At the onset of the COVID-19 pandemic, PeopleFund started offering loans with no interest and no payments to bridge small businesses until the arrival of Federal help. That help first arrived in the form of the Paycheck Protection Program. For PeopleFund, it was an easy decision. We were already a proud SBA Lender, and it was the right thing to do. So, just as first responders, we set out to help as many businesses as possible. In the last two years PeopleFund deployed \$40 million and 1,800 PPP loans, helping more than 5,000 Texans retain their jobs. Across all programs, we deployed more capital than in the previous five years combined. Hope for a better future kept us going and we are deeply

proud of the role that PeopleFund and many other organizations played during the crisis,” said Gustavo Lasala, President & CEO of PeopleFund

In addition to the technology platform, the SBA is standing up a PPP customer service team to answer questions and directly assist borrowers with their forgiveness applications. Borrowers that need assistance or have questions should call (877) 552-2692, Monday – Friday, 8 a.m. - 8 p.m. EST.

“This initiative will allow PPP borrowers to put their concerns of achieving full forgiveness behind them and focus on operating and growing their businesses again,” **said Patrick Kelley, Associate Administrator for SBA’s Office of Capital Access.** “We are pleased to be able to assist financial institutions across the U.S. in processing forgiveness applications for small business owners.”

Paycheck Protection Program Summary

- Overall, the SBA and lenders have worked to originate over 11.7 million loans totaling nearly \$800 billion in relief to over 8.5 million small businesses.

In 2021:

- SBA approved over 6.5M loans totaling over \$275B
- The average loan size was ~\$42 thousand (compared to \$101 thousand in 2020)
- 96% of loans went to businesses with fewer than 20 employees (compared to just 87% in 2020.)
- 32% of loans went to businesses in LMI communities (compared to just 24% in 2020)

Direct Forgiveness Summary

- Over 600 banks have opted into direct forgiveness, enabling over 2.17mm borrowers to apply through the portal (This represents 30% of loans \$150,000 or less that have not yet submitted for forgiveness)

Established by the CARES Act in 2020, the PPP was among the first COVID-19 small business economic aid programs. It provided more than \$798 billion in economic relief to small businesses and nonprofits across the nation, keeping employees working, and helping businesses come back stronger than ever.

Other programs include Economic Injury Disaster Loan (EIDL), EIDL Advance, Targeted EIDL Advance, Supplemental EIDL Advance, Restaurant Revitalization Fund, Shuttered Venue Operators Grant, and SBA Debt Relief program. To learn more about these programs, please visit www.sba.gov/relief.

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About the U.S. Small Business Administration

The U.S. Small Business Administration helps power the American dream of business ownership. As the only go-to resource and voice for small businesses backed by the strength

of the federal government, the SBA empowers entrepreneurs and small business owners with the resources and support they need to start, grow or expand their businesses, or recover from a declared disaster. It delivers services through an extensive network of SBA field offices and partnerships with public and private organizations. To learn more, visit www.sba.gov.