

[June 18 | 9:00 Call: *Special* Business Briefing - Paycheck Protection Program Flexibility Act](#)

ND Department of Commerce Business Briefing, hosted by Greater North Dakota Chamber

The U.S. Senate passed the House version of Paycheck Protection Program (PPP) legislation, tripling the time allotted for small businesses and other PPP loan recipients to spend the funds and still qualify for forgiveness of the loans.

19,000 North Dakota businesses received the PPP loan and more details on the loan forgiveness will be released on this Business Briefing scheduled for June 18th at 9:00 am (CST).

Following is a summary of the legislation's main points compiled by the AICPA:

- PPP borrowers can choose to extend the eight-week period to 24 weeks, or they can keep the original eight-week period. This flexibility is designed to make it easier for more borrowers to reach full, or almost full, forgiveness.
- Under the language in the House bill, the payroll expenditure requirement drops to 60% from 75% but is now a cliff, meaning that borrowers must spend at least 60% on payroll or none of the loan will be forgiven. Currently, a borrower is required to reduce the amount eligible for forgiveness if less than 75% of eligible funds are used for payroll costs, but forgiveness isn't eliminated if the 75% threshold isn't met. Borrowers can use the 24-week period to restore their workforce levels and wages to the pre-pandemic levels required for full forgiveness. This must be done by Dec. 31, a change from the previous deadline of June 30.
- The legislation includes two new exceptions allowing borrowers to achieve full PPP loan forgiveness even if they don't fully restore their workforce. Previous guidance already allowed borrowers to exclude from those calculations employees who turned down good-faith offers to be rehired at the same hours and wages as before the pandemic. The new bill allows borrowers to adjust because they could not find qualified employees or were unable to restore business operations to Feb. 15, 2020, levels due to COVID-19 related operating restrictions.
- Borrowers now have five years to repay the loan instead of two.
- The interest rate remains at 1%.

The bill allows businesses that took a PPP loan to also delay payment of their payroll taxes, which was prohibited under the CARES Act. REMINDER: If you have not applied for PPP funding, you have until June 30th to submit an application. [Click here to apply!](#)

To receive call-in information, [attendees must register as a non-member](#) . A confirmation email with call specifics will be sent to the email provided upon completion of registration and prior to the call. Please provide your questions relating to the call during registration. These will be provided ahead of time to the Department of Commerce so that presenters can address your questions to the extent possible, given the dynamic environment. Questions not addressed during the conference call will be answered in follow-up communication.