

Here are 3 things to know now that the SBA's PPP has run out of money

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The Small Business Administration's \$349 billion Paycheck Protection Program had a short but full life as its funding quickly dried up and lenders across the country exhausted the program by Thursday morning, less than two weeks after the first applications were accepted.

And now, after Congress failed Thursday to approve additional funding for the program, it has left the nation's small businesses, [and their banks](#), with one big question.

What happens next?

We put together some answers.

Will there be more funding?

Experts still believe that Congress will appropriate additional money for the program. While Republicans were pushing for a simple expansion of funds, congressional Democrats also wanted to include money for hospitals as well as state and local governments in any additional financial packages. But both parties agree on the need for further PPP funding, and observers note that action could come over the weekend or early next week.

[David Wessel](#), a senior fellow in economic studies at the Brookings Institution and director of its Hutchins Center on Fiscal and Monetary Policy, called it a “political imperative” for both sides.

“A lot of people will be really angry because they won’t be able to apply or their applications won’t be funded. And some businesses will close as a result,” Wessel said. “Congress will appropriate more money for sure. It’s just a matter of time.”

What about my existing loan application?

Loans that have not been approved up until now won't be approved, at least for the time being. Loans had to have been completely finalized, as opposed to being in process, for funding to flow to a business, according to multiple banks I spoke to. Small businesses should check with their lenders where they were in the process.

The SBA shut off new applications at exactly 10:16 on Thursday morning, when E-Tran, the electronic system the agency used to process applications from lenders, shut down, according to [Thomas Capasse](#), CEO of Ready Capital, a New York nonbank lender within the SBA network. If the small business or its lender had already received a "PLP" number, or preferred lending partner number, for its loan, that means its application was successful and they will ultimately see that disbursement, he said.

For small businesses that did not make it in time, their applications joined a queue. At Ready Capital, their place in line was based on when the application was submitted through the SBA's portal, Capasse said.

For those who submitted their applications to their credit unions, the institutions will start to disburse loans for approved applicants. For others, they will receive communication on recommended next steps, said [Lauren Williams](#), spokeswoman for the National Credit Union Association.

Is it too late to apply?

[Many lenders are still accepting applications](#) to get small businesses through the process for if, or when, Congress does approved expanded funding.

Atlantic Union Bank, a regional bank based in Richmond, Virginia, will continue to accept applications, according to CEO [John Asbury](#). "We know these are challenging times and remain committed to helping our clients the best we can," Asbury said in a statement. "We have decided to continue to accept applications from our business clients in hopes that additional funding will be approved so that the SBA will accept them in near future."

Other financial institutions across the country said they also are still accepting applications, including [Navy Federal Credit Union](#), the country's largest credit union.

"We are also continuing to accept new applications from small businesses that have been turned away by other megabanks and encouraged them to stay the course," said [Joe Thomas](#), CEO of Freedom Bank, based in Fairfax, Virginia. "We remain ready

to resume efforts to get loans approved when the congressional reauthorization of the PPP occurs."

The loan program, which offers forgivable loans to small businesses as long as most of the money goes to payroll costs, was first authorized as part of the \$2.2 trillion CARES Act passed by Congress and signed into law March 27 by President Donald Trump. It's been a critical part of how small-business owners hope to survive the coronavirus pandemic and social-distancing measures to counteract its spread.

Along with the PPP, the SBA [also said on its website](#) that it had run out of funding for its Economic Injury Disaster Loan program and was no longer accepting those applications either.