



The Senate approved the House legislation to address restrictions on the PPP, sending it to the President to be signed. The Paycheck Protection Program Flexibility Act of 2020 (H.R. 7010) included provisions to (1) extend the amount of time borrowers have to spend PPP funds from 8 to 24 weeks, (2) lower the qualifying amount that must be spent on payroll costs from 75 percent to 60 percent, and (3) extend the June 30 rehiring deadline.

With the alterations to the Program, the legislation provides some positive attributes to allow borrowers more flexibility when utilizing the funds provided from the program. The revised 60/40 split now means 60% of funding is required to be used for qualifying payroll costs and the other 40% can be used for the other qualifying business expenses to be eligible for forgiveness. It also has increased the time frame to utilize the funds from an 8 week period to a 24 week period. Lastly it gives the borrower business more time to hire back employees to begin working past the June 30<sup>th</sup> mark. High Country Bank and its lending staff will continue to monitor the evolving guidance provided by the SBA to facilitate expeditious forgiveness of our borrower's PPP loans. Additionally, both the SBA and Treasury websites continue to publish updated information as it becomes available. We encourage our borrowers to reach out with any questions, and to diligently monitor how they use the funds provided from the PPP loan.

Larry Smith  
President and CEO