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**Incentive Federation Inc. Releases Summary of Paycheck Protection Program Flexibility Act**

(June 9, 2020) The Incentive Federation Inc. (IFI) has released a summary on The Paycheck Protection Program Flexibility Act (PPPF Act) passed by Congress on June 5, 2020, which provides several key changes to the Paycheck Protection Program (PPP) law passed in early April 2020. The PPPF Act eases the conditions small business owners must meet to have loans forgiven during and following the coronavirus pandemic.

The Incentive Federation’s legal counsel, George Delta, Esq., has provided a detailed summary of the favorable enhancements that the PPPF Act includes for small businesses such as:

1. The requirement for 75% of the loan forgiveness amount being attributable to payroll costs has been amended.  Now, an eligible small business recipient (borrower) is only required to use 60% of the covered loan for payroll costs to receive loan forgiveness.  This important change allows small businesses to spend more on overhead and fixed expenses such as utilities and still receive loan forgiveness.
2. Borrowers under the PPP will now have 24 weeks to use loans for approved expenses and have them forgiven, provided they meet a deadline of December 31, 2020 to submit loan forgiveness paperwork. Small business borrowers can use the period of 24 weeks to restore their workforce to levels before COVID-19 to achieve full loan forgiveness.
3. The PPPF Act has two new provisions that would assist borrowers in having the full amount of their PPP covered loan forgiven even if they are unable to rehire their pre-existing workforce.
4. The PPPF Act extends the minimum maturity term (repayment period) for PPP loans for new and existing borrowers from two to five years.

On April 3, 2020, the Incentive Federation published the most important provisions of the Coronavirus Aid, Relief, and Economic Security Act (“CARES Act”) of 2020, an omnibus law aimed at providing relief to big businesses, small businesses, households, the unemployed, independent contractors, mortgage holders, and those with student loans, among others.  That legislative update and the more current update announcing the changes to the CARES Act are posted on the Incentive Federation’s website homepage at [www.incentivefederation.org](about:blank).

If you have any questions about the CARES Act or the PPPF Act, contact Delta at [gdelta@verizon.net](about:blank) or at (703) 582-7040.

The Incentive Federation Inc. was founded in 1984 as an umbrella organization for the incentive field representing national trade associations, individual companies, trade publications, and the national trade shows. In this role, it represents all aspects of incentive marketing, including merchandise, travel, gift cards and services encompassing incentives, corporate gifts, rewards, recognition, promotional products, and other related promotional tools. Originally founded as the government affairs voice of the incentive field, the Federation continues to protect the industry, conducts research and is an Accredited Standards Developer.