



Alerts

PPP Deadline Extended, Preparing for Restaurant Revitalization Grants

April 2, 2021
Hinshaw Alert

PPP Deadline Extension

President Biden has signed legislation extending the Paycheck Protection Program (PPP) loan application filing deadline from March 31, 2021 to May 31, 2021. The legislation also gives the Small Business Administration (SBA) 30 days from the extended deadline to process all applications filed by May 31, 2021.

Preparing for RRG

On March 11, 2021, President Biden signed into law the American Rescue Plan Act of 2021 (ARP Act). The ARP Act included provisions establishing the Restaurant Revitalization Grant (RRG) program.

The legislation directs the SBA to establish the RRG program, which is authorized to issue up to \$28.6 billion in grants to eligible entities.

Like Shuttered Venue Operator Grants, RRGs will be administered by the SBA instead of lenders, as was the case with PPP loans.

It is unclear when RRG applications will become available, but we would expect the application process to start within the next ten days. We anticipate that RRGs will be awarded through the federal System for Award Management (SAM.gov).

Prospective RRG applicants who have not applied for federal grants before must register to receive a Dun and Bradstreet number (D-U-N-S Number), which is a nine-digit ID required for registering on SAM.gov. Applicants will also need the D-U-N-S number to register with the SBA, which we anticipate will be processing the RRG requests through SAM.gov.

Demand for RRGs will be extremely high. It can take up to two weeks for an RRG applicant to obtain a D-U-N-S Number and register with SAM.gov. The registration process is not complicated. The Department of Agriculture maintains a guide to D-U-N-S/SAM.gov and a complete list of information required for the SAM registration worksheet—see sam.gov/SAM/ and dnb.com/duns-number.

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Since RRGs will be based on the difference between the applicant's 2019 and 2020 gross receipts, applicants should also begin compiling their receipts and financial statements to show their 2019 and 2020 revenues as well as the related tax information.

Because of the anticipated high demand, there is no guarantee that everyone eligible for an RRG will receive one.

Therefore, applicants who are eligible for a PPP loan should apply for it as soon as possible. Even though an RRG amount will be reduced by the amount of the PPP loan, if an applicant is using the PPP funds correctly, the PPP loan will be forgiven.

As a refresher, we encourage you to [view the key facets of the RRG program in our Hinshaw Alert](#) published on March 23, 2021.