

These FAQs are in the process of being revised and do not yet reflect changes made by the American Rescue Plan Act of 2021 enacted on March 11, 2021.

69. Question: Why is SBA discontinuing use of the Loan Necessity Questionnaire (SBA Form 3509 or 3510)?⁷⁵

Answer: In October 2020, SBA issued two Loan Necessity Questionnaires (SBA Forms 3509 and 3510) to facilitate the collection of supplemental information that would be used by SBA loan reviewers to evaluate the good faith certification made by PPP borrowers on their loan application that economic uncertainty made the loan request necessary to support ongoing operations. Each borrower, that together with its affiliates, received PPP loans with an original principal amount of \$2 million or greater was required to complete the form.

On October 26, 2020, SBA published a 30-day notice soliciting comments on the information collection that included the Loan Necessity Questionnaires (85 FR 67809). Additionally, on January 4, 2021, SBA published a 60-day notice soliciting comments on the information collection that included the Loan Necessity Questionnaires (86 FR 172). SBA received 61 comments from members of the public regarding the Loan Necessity Questionnaires, and the majority of the comments raised objections to the questionnaires.

Based on the results of loan reviews that it has completed thus far SBA believes audit resources will be more efficiently deployed across all loans if the loan necessity questionnaire is discontinued. The loan necessity reviews, including the review of the borrower's completed Loan Necessity Questionnaire, are lengthy and have caused delays beyond the 90-day statutory timeline for forgiveness, thus negatively impacting those borrowers that made their loan necessity certification in good faith. For these reasons, SBA is discontinuing any reliance on the Loan Necessity Questionnaires.

⁷⁵ Question 69 published July 29 2021.