

**PA Bankers' Statement Regarding the Paycheck Protection Program – April 3, 2020**  
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Banks across the commonwealth have mobilized to help distribute the \$350 billion in emergency loans released by the Small Business Administration (SBA) under the Paycheck Protection Program (PPP), part of the CARES Act passed by Congress last week.

Banks continue to await necessary federal guidance to implement the program; in the meantime, they have been inundated with funding requests since the program opened at midnight. As PA Bankers and its member banks in PA review the interim final rule that was posted last evening, significant operational questions remain on how the process will work.

Participating PA banks will start making loans under the PPP as quickly as possible. Banks across the state have already provided significant assistance to their business customers since day one of this public health crisis. Many are already accepting PPP applications today and will begin disbursing loan proceeds as soon as clarity is received from the administration.

This is a program that did not exist a week ago, and the administration has called on banks to move an unprecedented amount of loans through their systems without having sufficient guidance - such as appropriate loan documents needed, guidelines on documenting borrower-provided payroll and even how banks must submit loan applications to the SBA. Getting this program ready, and getting it set up correctly so that money can get into the hands of the small businesses that are entitled to it, is a monumental task that is going to take some patience.

PA banks strongly support small businesses and continue to do a lot to help small businesses through this very difficult time they are all facing – such as restructuring loans, helping with cash flow and extending additional lines of credit.

Small business customers interested in applying for PPP loans are encouraged to reach out to their banks, get all of the necessary documents ready (payroll and eligible expenses), and be ready to complete the application.

Details for borrowers, including sample loan applications, are available on the U.S. Small Business Administration website: <https://www.sba.gov/funding-programs/loans/coronavirus-relief-options/paycheck-protection-program-ppp>.

*PA Bankers has been bringing banks and bankers together for 125 years to learn, grow, serve and engage with their peers, communities and lawmakers. The association has built a strong reputation as a leading advocate for pro-banking policies at the state and federal levels, as well as the delivery of quality education, products and services for banks of all sizes and their employees.*