

DEPARTMENT OF BANKING AND BANKING INDUSTRY STATEMENT ON THE SBA'S PAYCHECK PROTECTION PROGRAM

FRIDAY, APRIL 17, 2020—While Congress considers legislation to provide much-needed additional funding for the U.S. Small Business Administration's (SBA) Paycheck Protection Program (PPP), banks of all sizes will continue to work closely with their small business customers to provide relief, and assess their options going forward. Connecticut banks and SBA lenders have helped more than 18,000 Connecticut businesses obtain approval for more than \$4.1 billion in PPP loans through April 16, according to the SBA.

Banks have provided vital relief for their small business customers before and during the PPP, and they will continue to stand by them, as the first round of PPP dollars are exhausted. Banks and their team members have been working 24/7 to assist their business customers since the SBA Paycheck Protection Program rolled out, just under two weeks ago. Despite initial delays loading PPP applications into the SBA's loan approval system due to system interruptions and limitations, banks and other SBA lenders stuck with it. The PPP assistance is now making its way to main-street businesses throughout the state. And the amount of aid will grow, as the remaining dollars of the PPP are approved by the SBA for additional businesses.

What should a small business do if their PPP loan doesn't get approved? "The first thing they should do is talk to their bank about other options that might help them through this crisis," said Department of Banking Commissioner Jorge Perez. He added, "They should also make sure all of their PPP paperwork remains in order, in case Congress does provide additional funding for the PPP. They should also look to other small business relief programs such as through the Department of Economic and Community Development and federal programs, such as the Federal Reserve's new Main Street Lending Program, which is now being developed for businesses employing up to 10,000 employees."

Commissioner Perez also acknowledged the efforts of Connecticut's Congressional delegation on behalf of Connecticut consumers and businesses. "Our delegation has been fully engaged and involved in the development of federal legislation and government programs, like the PPP, that are delivering much-needed financial assistance to Connecticut and the rest of the country," he said. "We wish them success as they continue their work, particularly on the reauthorization of funding for PPP loans."

Looking forward, Tom Mongellow, President and CEO of the Connecticut Bankers Association, said: "We are hopeful that Congress will reauthorize the Paycheck Protection Program as soon as possible, given the economic damage done by this pandemic to small businesses and their thousands of employees. We ask Congress to quickly approve more funding for the Paycheck Protection Program, so banks can continue to provide this vital financial lifeline to more small businesses, and help put our state on the path to recovery," he added.