

Banking Industry Awaiting Final Rules and Guidance Regarding Paycheck Protection Program

Atlanta April 2, 2020 – Georgia’s banks are mobilizing to help distribute \$349 billion in emergency Small Business Administration (SBA) loans to small businesses through the Paycheck Protection Program (PPP), part of the CARES Act passed by Congress last week.

However, limited guidance has been issued to date necessary to implement the program, and banks continue to await final instructions from the SBA and the U.S. Department of Treasury about how the process will work.

“Participating Georgia banks will begin making loans as soon as possible once they get clarity from the Administration,” said Joe Brannen, GBA president and CEO. “Our banks in Georgia have been providing significant borrower assistance since day-one of this public health crisis. Many will accept PPP applications as early as tomorrow and will begin disbursing loan proceeds once they get the information they need 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,” Brannen said. “As of mid-day Thursday, there still was not sufficient detail on key things such as the appropriate loan documents, guidelines for documenting borrower-provided payroll and even how banks must submit the loan applications to SBA. Georgia’s banks strongly support small businesses and they’ve already done a lot such as restructuring loans, helping with cash flow and extending additional lines of credit. Getting this program ready, right, and the money in the hands of the small businesses that are entitled to it, is a monumental task that’s going to take some patience.”

Small business customers interested in applying for the loans are encouraged to reach out to their bank, get key documentation ready about payroll and eligible expenses and be ready to complete applications.

Details for borrowers, including a sample loan application form, are available from the U.S. Small Business Administration website here: [Paycheck Protection Program \(PPP\)](#).

About the Georgia Bankers Association: Founded in September 1892, the Georgia Bankers Association promotes the general welfare and usefulness of banking and the preservation of a sound banking system. For 128 years, GBA has been the resource that empowers Georgia’s banks, providing effective government relations and public advocacy, a community of professional peers, top-quality education and professional development, and revenue-enhancing products and services. www.gabankers.com.