

News Release

Indiana Bankers Association Urges Immediate New Funding for Paycheck Protection Program



For immediate release
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The Indiana Bankers Association joins with the banking community nationwide in urging Congress to provide immediate new funding for the Paycheck Protection Program (PPP). Due to high demand for PPP loan applications, funding of the loans has run out as of today. If this lapse in appropriations is not addressed, funding will not be able to be renewed.

The PPP was put into effect on April 3 as part of the CARES Act* with \$350 billion in funding for small business loans backed by the Small Business Administration. These loans allow small businesses to meet payroll during the pandemic shutdown to prevent layoffs and preserve jobs. Additional funding of \$250 billion has been requested but failed to pass Congress.

Immediate new funding is now critically needed to allow more loans to be made available to protect small business and save jobs. As indicated in a statement issued yesterday by U.S. Treasury Secretary Steven T. Mnuchin and SBA Administrator Jovita Carranza: "By law, the SBA will not be able to issue new loan approvals once the programs experience a lapse in appropriations."

The banking community has been instrumental in making PPP loans available to the small business sector. Per an SBA Paycheck Protection Program Report issued on Tuesday, as of April 13 Indiana banks have assisted in completing 23,583 PPP loans totaling \$5,986,077,384 in approved dollars. Nationwide, as of April 13, 4,664 lenders worked with small businesses to complete applications for 1,035,086 loans approved, totaling \$247,543,393,521 gross dollars.

"Banks in Indiana and throughout the country have made impressive progress in assisting small businesses through PPP loans," said Amber R. Van Til, president and CEO of the Indiana Bankers Association. "Today, however, additional funding is desperately needed in order to allow more small businesses to access PPP loans and remain in business. Advance funding into the program will help preserve jobs nationwide."

* Coronavirus Aid, Relief, and Economic Security Act

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The Indiana Bankers Association supports Indiana banking through issues advocacy, professional education, and products and services that enhance financial institutions' ability to help build better communities.

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