



# Community Bankers Association of Illinois

*One Mission. Community Banks.®*

## **CBAI 2020 Group Meetings Have Been Cancelled**

Due to the uncertainty surrounding the COVID-19 crisis, CBAI Leadership has made the difficult decision to cancel the 2020 Group Meetings. If you have already registered for a group meeting in May or June, CBAI will refund your registration fee.

These are difficult times for all of us, but as usual, community bankers are rising to the occasion to serve their customers and help keep our economy afloat. When it comes time for the recovery, community bankers will be right there leading the way. Keep up the good work and stay safe.

## **SBA System Receives Security Upgrades**

Last night the SBA closed the Paycheck Protection Program Gateway for security upgrades.

The SBA has outlined the process to regain access and continue processing loans with the following communication to lenders.

- The new Authentication Number for your lending institution is available in your **CAFS account**.
- To retrieve this number, please login to your CAFS account and access the partner database/PIMS. Search for your Location ID, and locate the Alias listed near the middle of the page. You will use the nine-digit Authentication Number in this section to verify access to SBA Connect.

If you do not have a CAFS account, please reach out to the authorizing official in your lending institution. If you are a lender having trouble accessing CAFS, please reach out to the **SBA District Office** where your bank is headquartered to request assistance in obtaining your new Authentication Number.

Once you have located this new Authentication Number, please login to **SBA CONNECT** to request access to the Paycheck Protection Lender Gateway application using your institution's FRS, FDIC, NCUA, or Location ID number and the new Authentication Number. Please note that this change will not affect any loan authorization requests already submitted using the Lender Gateway.

## **CBAI's Survey Regarding CBAI Member's Experiences with SBA's PPP Loans**

CBAI conducted a follow-up survey of community bankers' experience with SBA's PPP loans. This information is primarily used by the governmental relations team to inform officials about the experience of Illinois community bankers in our efforts to address issues and concerns with the program. We hope that this information will also be useful to community bankers by providing a snapshot of our profession's collective experience with PPP loans.

This survey only includes CBAI members so it does not reflect the experience of credit unions and mega-banks. Here are a few key points:

- Ninety-seven percent of respondents are participating, or attempting to participate, in PPP loans.
- Twelve percent of community bankers who are trying to participate in the program still have not been able to access either SBA portal. While this number is shrinking, it remains unacceptable in day 10 of the first-come-first-serve program where some mega-banks are reportedly cutting off participation because they are experiencing liquidity issues with loan demand.
- Most community bankers have submitted less than 100 PPP applications for less than \$10 million in total individual bank demand. This tells us that community bankers are making small loans to very small businesses, likely the small businesses that need them the most. CBAI is calling on Congress to earmark

additional PPP funds for community banks to ensure small business is served and funds are not siphoned off to large companies by mega-banks who largely ignore main street businesses.

- Half of the community bankers surveyed are funding PPP loans, even in the absence of SBA guidance of loan guarantees. They are taking on additional risk to ensure much needed capital makes it to customers.
- Community bankers express strong confidence that they have enough liquidity on hand to maintain current demand as secondary markets are developing.

[See Survey Results »](#)

### **New Workers' Comp Rules for COVID-19 Front-Line Workers, Including Community Bankers**

The Illinois Workers' Compensation Commission issued an emergency rule stating that any front-line worker, including workers at financial institutions, who contracts the COVID-19 virus is assumed to have caught it at work and is automatically eligible for workers compensation benefits.

*In any proceeding before the Commission where the petitioner is a COVID-19 First Responder or Front-Line Worker as defined in Section (a)(2), if the petitioner's injury or period of incapacity resulted from exposure to the COVID-19 virus during a COVID-19-related state of emergency, the exposure will be rebuttably presumed to have arisen out of and in the course of the petitioner's COVID-19 First Responder or Front-Line Worker employment and, further, will be rebuttably presumed to be causally connected to the hazards or exposures of the petitioner's COVID-19 First Responder or Front-Line Worker employment.*

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