



For Immediate Release

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SBA's Technology Platform Struggling to Accept Paycheck Protection Program Loans

Tennessee small businesses suffer due to agency's inability to handle volume

Nashville—After Congress approved an additional \$310 billion for the Paycheck Protection Program (PPP), Tennessee banks were well-prepared to continue to help small businesses as the second round of funding launched Monday, April 27. Unfortunately, technical issues from the Small Business Administration (SBA) plagued the launch, with bankers reporting error messages, repeatedly being kicked-out of the system, and slow processing times even as they worked throughout the night.

“It is absolutely unacceptable that small businesses are continuing to suffer due to Treasury and SBA’s negligence,” said Colin Barrett, president and CEO of the Tennessee Bankers Association (TBA). “Tennessee banks have been diligently working with their customers since the first round of PPP money ran out on April 16 in preparation for the portal to reopen. Coupled with the lack of information from the SBA and Treasury, it’s extremely frustrating.”

The main issue centers around E-Tran, the online system that the SBA uses for lenders to upload applications. The SBA said that the system was adjusted over the weekend to make sure that all lenders would be able to submit applications at the same rate per hour so that no institution would have an advantage over another. However, as bankers attempted to process loans, the system proved to be less efficient than before.

TBA urges the Treasury and SBA to improve system access and processing mechanics as quickly as possible. Tennessee banks are actively trying to provide support for our small business community, and currently that needed relief is being held hostage by an ill-equipped lending platform.

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About Tennessee Bankers Association

The Tennessee Bankers Association is a not-for-profit organization representing Tennessee’s commercial banks and thrifts. The Association provides continuing education, develops and monitors state and federal legislative agendas, disseminates information on all facets of the financial services industry, and promotes the public image of financial institutions. Visit us at our website, www.TNBankers.org.