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AUDITOR GENERAL

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News for Immediate Release

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Auditor General DePasquale: Pennsylvania's Small Businesses Need Prompt Access to Loans to Save Jobs, Remain Afloat through Coronavirus Crisis

HARRISBURG – Auditor General Eugene DePasquale today urged banks licensed in Pennsylvania to help small businesses facing unprecedented financial challenges during the Coronavirus emergency, citing the urgent need to save jobs.

“Small businesses are struggling to find ways to keep paying their employees,” DePasquale said. “I encourage Pennsylvania financial institutions to do everything in their power to help our state’s small businesses get through this crisis.”

DePasquale said he is concerned by reports that a lack of clear guidance from the federal government discouraged banks from immediately participating in the federal Paycheck Protection Program, which makes \$349 billion in loans available through the Small Business Administration. Some banks said they did not receive guidance until hours before the program opened.

DePasquale noted that the program allows small businesses with fewer than 500 employees to borrow up to 2.5 times their total monthly payroll, which could help to ensure that employees will have a job to return to after it is safe for normal business operations to resume.

“These extraordinary times call for immediate action,” DePasquale said. “I hope financial institutions across Pennsylvania will do whatever is necessary to help preserve millions of jobs – their customers are counting on them.”

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