



Banking During COVID-19

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Michigan Bankers Association



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Financial Services Reimagined

- Bankers demonstrated why they are essential!
- Banks found creative ways to meet needs.
- Drive-Thru only branches
- By Appointment banking
- Safety protocols top priority
- Across the state banks met the challenge, kept their customers and employees safe, and performed the essential front-line work of the industry.



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Forbearance and other consumer assistance

- Banks developed consumer relief programs for their customers before government mandates were in place.
- Payment Deferrals/Holidays
- Fee waivers
- Forgiveness of overdrawn accounts for purposes of EIP.
- Banks pro-actively reached out to borrowers to offer assistance.
- Bankers working around the clock to pro-actively reach out to borrowers to inform creation of tailored relief to the needs of their community and service area.



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Coronavirus Aid, Relief, and Economic Security Act of 2020

Paycheck Protection Program

- 2 Rounds of funding
- \$349 Billion Dollars on April 3
- Another \$300B beginning April 27
- Economic Impact Payments

Banks Stepped Up

- Every member bank in the state provided COVID-19 Relief programs
- Lenders worked around the clock with limited and often changing information
- Most Banks fulfilled 50%, 100%, or even 200% of their typical annual lending capacity in 14 days.

Business Access to Capital

- Top priority for bankers across the state
- Banks were and are committed to be a part of the solution.
- Ensured their communities had access to the working capital necessary to survive.
- Supporting small business and the Michigan economy in crisis.



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Paycheck Protection Program

- Banks did 50%, 100%, 200% of typical annual loans.
- Lenders worked around the clock to help their customers
- Businesses access to capital was the top priority
- Working with very little and often conflicting information from the U.S. Small Business Administration.
- Bankers adapted to crisis lending because their customers needed them!
- Over 93% of PPP loans made across the country were under \$350,000 in total proceeds, these are truly small businesses!



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Economic Impact Payments

- Many banks forgave overdrawn accounts when Economic Impact Payments arrived knowing their customers needed access to this money. This was not a mandate.
- In fact, the industry worked with Congress, Treasury, and the Small Business Association to encourage exemption of Economic Impact Payment's from garnishment.
- Pro-active outreach to less sophisticated customers to assist in setting up an electronic receipt of these funds.
- Banks were part of the solution by helping customers access life saving funds.

Direct Support for the Community

- As other crisis events occurred in the midst of the economic shutdown caused by COVID-19, banks stepped up again.
- Even while banks were negatively impacted by various occurrences they continued to be community focused.
- Fee waivers for impacted customers of Midland flooding and COVID-19 shutdowns.
- Many offered forgiveness of overdrawn accounts for purposes of EIP, understanding consumers need for these vital stimulus funds.

Direct Support for the Community

- Millions of dollars in community support for Midland and surrounding areas.
- Bi-partisan effort on E-Notary with Secretary of States office regarding real estate transactions, death certificates, and other legal documentation.
- MBA worked specifically with the administration to ensure consumers had access to mortgage re-financing a major source of relief for consumers.
- Wrap-up

Questions





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