



FDIC 2022 Small Business Lending Survey

Frequently Asked Questions

(Last updated May 2, 2022)

Q: Who sponsors the SBLS?

The Federal Deposit Insurance Corporation (FDIC) is sponsoring the 2022 Small Business Lending Survey (SBLS 2022). The survey is administered by the U.S. Census Bureau (Census).

Q: What is the SBLS and what is its purpose?

Banks are the most common source of external financing for small businesses, which comprise 99.9 percent of all U.S. firms.¹ Despite the importance of small businesses to the U.S. economy and the importance of bank lending to small businesses, there is little high quality data on this activity. The SBLS aims to fill gaps in our understanding of small business lending by banks and how banks contribute to this vital part of the economy.

The SBLS provides a more comprehensive view of bank small business lending than more frequently occurring surveys that are not nationally representative or those that are more narrowly defined. Questions in the SBLS differ from collection to collection to evolve with the industry and capture information on important emerging topics.

Q: How frequent is the SBLS?

The first and previous collection of the SBLS occurred in 2016 (SBLS 2016); the current collection will launch in June 2022 (SBLS 2022).

Q: What is in SBLS 2022?

SBLS 2022 is composed of four sections of questions about small business lending, on these specific topics:

- I. Loan Processes, Underwriting, and FinTech Usage**
- II. Markets and Competition**
- III. Coronavirus Pandemic, SBA Lending, and Selling of Loans**
- IV. Measurement of Business Lending**

Q: What is unique about the SBLS?

In the SBLS, questions differ from collection to collection to evolve with the industry and capture information on emerging topics. For example, SBLS 2022 asks detailed questions about the ways in which banks lend to small businesses, including how they underwrite loans of different sizes, how

¹ Sources: *Small Business Credit Survey* (Federal Reserve, 2021) <https://www.fedsmallbusiness.org/medialibrary/FedSmallBusiness/files/2021/2021-sbcs-employer-firms-report> and *Frequently Asked Questions* (Small Business Administration, 2021) <https://cdn.advocacy.sba.gov/wp-content/uploads/2021/12/06095731/Small-Business-FAQ-Revised-December-2021.pdf>.

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many levels of approval loans go through, who banks consider to be their competitors, and how banks utilize FinTech in their small business lending.

The SBLS is also unique in that banks self-define what they consider to be small business lending. A bank's typical small business borrower likely differs from another bank's small business borrower. Therefore, in the first three *qualitative* sections of the survey, respondents use their own formal or informal definitions for what their bank considers a "small business."

The last and *quantitative* section measures bank small business lending that may not be captured when relying on definitions used for regulatory reporting. For example, the Call Report records small loans to businesses but some of these small loans may go to large businesses, while some large loans may go to small businesses. This section collects bank business lending by multiple firm and loan sizes in order to produce a better overall estimate of bank small business lending.

Q. How are small businesses defined in the SBLS?

One goal of the SBLS is to document the breadth of small business activity across banks. Therefore, the SBLS asks banks to use their own formal or informal definitions for what they consider a "small business" in answering the survey questions.

By using your bank's definition we hope to get a holistic picture of small business lending in its many different shapes and sizes. This approach further allows comparisons for how banks' definitions may differ from standard regulatory definitions and how these differences may vary across the banking industry.

The survey also explicitly asks banks if they use specific gross annual revenue or aggregate loan exposure thresholds to identify small businesses. If "yes," then banks are asked what those specific thresholds are.

Q: How will I know if my bank was selected for the survey?

On May 3rd, approximately 2,000 banks will be sent a joint letter via the USPS from the FDIC Chairman and the Director of the Census providing advance notice that they have been selected to participate in the survey that launches on June 14th. On May 3rd, selected banks will also receive an associated email from the following Census email address: erd.sbils.eblast@census.gov. If your bank receives this correspondence, this means that it was selected to participate in the SBLS.

Q: What kinds of banks are chosen to participate?

Approximately 2,000 banks of all sizes and from all geographic areas in the domestic U.S. will be selected to participate in the survey. These banks will be drawn from the universe of around 4,800 FDIC-insured depository institutions with domestic offices that actively make loans. This includes banks that are primarily regulated by the Federal Reserve System or the Office of the Comptroller of the Currency, as well as by the FDIC.

All FDIC-insured institutions with reported assets of \$3 billion or more in the third quarter of 2021 will be asked to participate, given that there are relatively fewer banks of this size. A random sample of respondents will be drawn by the Census from the set of banks with assets of less than \$3 billion. The

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selection process is confidential and the identities of randomly selected banks are not shared with the FDIC (however, banks themselves are allowed to share that they were selected). Sampling across the spectrum of asset size allows us to characterize small business lending across the entire U.S. banking industry.

Q: Will my bank be included if it doesn't do any small business lending?

Yes, the survey will include banks that may not conduct any or conduct little small business lending activity. This is because the survey is nationally-representative; responses are required from all kinds of banks in order to make accurate statistical statements about the entire banking industry. The last section of the survey will ask questions on total originations that will be relevant to all banks. Further, the survey burden should be quite low for these banks (specifically, such banks would skip most of the questions). If your bank does little or no small business lending, your response would still very much be valued and appreciated.

Q: At what organizational level is the SBLIS implemented?

The SBLIS is implemented at the FDIC-insured depository (or certificate) level. Multiple "certs" from the same parent bank holding company may be selected to participate.

Q: Are my bank's answers confidential and anonymous?

Yes, the answers provided by banks to the SBLIS are confidential and anonymous. The U.S. Census Bureau is conducting this survey on behalf of the FDIC as authorized by Title 13, United States Code, Section 8(b) and requests your voluntary assistance. The Census Bureau will protect the data and information collected from disclosure, in accordance with applicable law. The answers provided by your bank will be kept confidential and reported only in aggregated form. The Census Bureau will not publicly release your responses in a way that could identify your business, organization, or institution. Per the Federal Cybersecurity Enhancement Act of 2015, your data are protected from cybersecurity risks through screening of the systems that transmit your data.

In addition, in accordance with Census rules, responses will not be disclosed from small groups of respondents whose identity could be determined indirectly. Specifically, the sampling methodology for the SBLIS 2022 is a disproportionate stratified sample, with strata assigned based on each bank's asset size. In order to mitigate the ability to triangulate the identity of bank respondents, a certain minimum number of respondents per bank strata are required in order to report results in aggregate for that strata.

Only a small group of FDIC researchers who are bound by statute (via Census Special Sworn Status) are allowed to analyze the data collected. The information collected is for research purposes only and will be used to inform policy makers and the general public about the contribution of banks to U.S. small business lending. The survey data are never used for examination purposes.

Q: How were the questions in the survey devised??

In 2021, staff from the FDIC and the Census conducted three rounds of cognitive testing of proposed survey questions with 46 banks of all sizes headquartered in twenty-three different states. The testing effort was to ensure that the survey content and concepts are relevant to banks and that banks have

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the record keeping abilities to answer questions without unreasonable effort. The results from testing were used to develop the survey instrument that will be used in the data collection effort that launches in June 2022.

Q: Does the FDIC have permission to conduct this survey?

The FDIC published two Federal Register Notices, on April 21st and on September 2nd, 2021, to inform the public of the survey and to solicit feedback. Approval for the project was received from the Office of Management and Budget on September 10, 2021 with control number 3064-0203.

Q: When will the survey take place?

SBLS 2022 launches on June 14th, 2022. If your bank was selected to participate in the survey, it will receive a due date notification of July 19th. However, your bank may request a due date extension in the Respondent Portal. The portal allows your bank to choose your own due date in 30-day increments up until the end of 2022.

Q: What time period does the survey reference?

Questions in the first three, qualitative, sections of the survey typically reference calendar year 2021. The questions in the last and quantitative section of the survey depend partially on whether your bank had more or less than \$1 billion in reported assets in the third quarter of 2021. Staff from the FDIC and the Census conducted three rounds of cognitive testing that indicated that this threshold provided a useful indication of how easily banks can retrieve certain information from their core data systems.

Calendar year 2021 was chosen as the reference year because it was the first full year before the survey, but with the understanding that banks experienced unprecedented circumstances given the concurrent coronavirus pandemic. The final report will make note of this specific context, and many banks are expected to have similar experiences during this period.

Q: How can I see the survey questions?

While the survey itself is to be completed via a Census web interface, banks can review questions more readily via a PDF for public distribution that may be found [here](#).

Q: How does my bank complete its survey response?

The survey is to be completed via a Census web interface.. If your bank is selected to participate in the SBLS, you will receive a letter via the U.S. Postal Service and an associated email in mid-June. To get started on responding, go to portal.census.gov to sign in or register for a new account that only you can access. Then enter the unique authentication code from your bank's survey letter or email and click "REPORT NOW."

Q: How can I share survey access with others at my bank to help complete it?

As your bank's survey contact, you may select "OPTIONS" within the Respondent Portal to securely share access with colleagues, request extensions, or check filing status.

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Q: Who at my bank should complete the survey?

It is recommended that your bank first review the PDF version of the survey (found [here](#)) to determine who at your bank has the best subject matter expertise to answer various questions. It may be helpful for most banks to designate a coordinator for the survey response who identifies appropriate staff for subsets of questions and who will share access to the survey with these individuals.

For the initial Screener questions and Section 4, the one quantitative section of the survey, it is suggested that the questions be answered by bank Loan Operations staff in conjunction with a Senior Commercial Loan Officer or the Chief Credit Officer. For the three qualitative sections, Sections 1 to 3, it is suggested that the questions be answered by a Senior Commercial Loan Officer or Chief Credit Officer.

Q: Can multiple staff be logged on to complete survey?

If your bank was selected for the survey, on June 14th it will be sent a letter and an associated email that will include a link to a Census web portal and a unique authentication code to access the SBLS. Once inside the portal, there is an option to share the survey with your colleagues. Multiple staff with this access can be logged on simultaneously to complete the various parts of the survey that may be relevant to them.

Q: How long will it take to complete the survey?

Census estimates that it will take up to 3 hours to answer the three qualitative sections of the survey, and up to 3.5 hours to answer the one quantitative section of the survey. However, this estimate is if a bank is eligible to answer every question on the survey. Typically, a bank will only be asked to answer questions relevant to it and its activities while skipping questions that are not. Your bank may find that the survey takes less time to complete than estimated. But time may be required to gather requested information (particularly for the last and quantitative section of the survey) or to confer with others at your bank for agreement on answers.

Q: What if my bank doesn't have the capabilities to answer the quantitative questions?

Before the survey begins, your bank will first be asked a set of Screener questions that evaluates the capabilities of your bank's core systems against the requirements of the questions. Your bank will only be asked survey questions in the quantitative section if it has indicated that the data can be pulled electronically (not manually).

Banks with assets of less than \$1 billion will see fewer questions in the quantitative section, and will be asked simpler versions of certain questions.

Q: What if my bank has questions? How can I get my questions answered?

After June 14th, questions regarding the survey can be asked directly through the Census Respondent Portal at <https://portal.census.gov>.

Before this date or for technical questions regarding the survey response web interface, please call: 1 (844) 868-3662.

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Q: How will the collected data be used?

Banks' answers to SBLS 2022 will be used to make statements about small business lending for the entire U.S. banking industry. Main findings from the collected survey data will be published in an FDIC report scheduled for publication in 2024. Other reports with more detailed analysis of specific topics may also be produced.

For examples of how collected survey data were previously used, please see the [2018 FDIC Report of Main Findings](#) and a [2020 FDIC Staff Study](#), both of which analyzed data from the 2016 collection. The latter study documented that, as a share of total commercial and industrial (C&I) loan dollars made by banks with \$1 billion to \$10 billion in assets, total dollar lending that can be considered small business lending is understated by 23 percent if the Call Report line item of C&I originations of less than \$1 million at the time of origination is relied on as a measure for bank small business lending.

Q: Is the survey voluntary?

The SBLS is voluntary. However, each response is important to help the FDIC as a primary federal regulator meet its goal of gathering the high quality survey data that results from high response rates. Your bank's participation allows the FDIC to be better able to understand and document the important contributions that banks make to the U.S. economy through their small business lending activities.

Q: When is the absolute last day that my bank can provide answers?

The "due date" for the survey is July 19th. After that date, Census staff will follow up with banks that have not responded by then. Your bank may also request a due date extension in the Respondent Portal. The portal allows your bank to choose your own due date in 30-day increments up until the end of 2022.