

Congress of the United States
House of Representatives
Washington, DC 20515

April 6, 2020

Ms. Jovita Carranza
Administrator
United States Small Business Administration
409 3rd Street, SW
Washington, D.C. 20416

The Honorable Steven Mnuchin
Secretary
Department of the Treasury
1500 Pennsylvania Avenue, NW
Washington, D.C. 20220

Dear Administrator Carranza and Secretary Mnuchin:

We write to urge your immediate attention and swift action on an issue that threatens the financial security and longevity of small businesses.

On March 27, the House passed the *CARES Act* (PL 116-136), which was shortly thereafter signed into law, to respond to the economic effects of the coronavirus pandemic. As the public health measures necessary to slow the spread of coronavirus are taking a particular toll on small businesses, the *CARES Act* provides significant assistance to small businesses that otherwise might not survive the impact, including through the Paycheck Protection Program (PPP).

The PPP, found in Section 1102 of the CARES Act, is a \$349 billion loan program—managed by private sector lenders but guaranteed by the government—to help small businesses keep afloat during a time of social distancing and mandatory business closures. As a resource for small businesses, sole proprietors, contractors, and the self-employed, PPP loans are meant to be available for small businesses, defined as having fewer than 500 employees, that have suffered economic hardship as a result of COVID-19.

Accordingly, we were shocked and disappointed to learn that, contrary to Congressional intent, individual qualified lenders have been demanding additional requirements of businesses that wish to apply for a loan, including an existing Small Business relationship between the lender and the business. We ask that the SBA and the Department of Treasury provide additional guidance to PPP lenders that would clarify eligibility requirements and encourage lenders to provide PPP loans to all eligible businesses.

Thank you for your attention to this critical matter and for your work to address the economic impacts of this pandemic. Your swift action on this issue will help alleviate the concerns of our nation's small businesses, which are vital to our country and our communities.

Sincerely,



Abigail D. Spanberger
MEMBER OF CONGRESS



Kendra S. Horn
MEMBER OF CONGRESS

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Also Submitted By:

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