

Congress of the United States
Washington, DC 20515

September 30, 2020

The Honorable Steven T. Mnuchin
U.S. Department of the Treasury
1500 Pennsylvania Ave NW
Washington, DC 20220

The Honorable Jovita Carranza
Small Business Administration
409 3rd St, SW
Washington, DC 20416

Dear Secretary Mnuchin and Administrator Carranza:

We are disappointed in the complete lack of Paycheck Protection Program (PPP) loan forgiveness approvals and write to ask when small businesses will begin receiving loan forgiveness and for more information about these delays.

As you know, the CARES Act created this program to make small business loans which are intended to be forgiven. While we realize most of the 5 million PPP loans have not had an application for loan forgiveness submitted by the lender, much of this is due to a lack of clarity from the Small Business Administration and Treasury with regard to how they should handle these applications. In addition, recent reporting¹ indicates that not a single loan forgiveness application has been fully processed.

We urge both the SBA and Treasury to work on updated information to help lenders process applications to ensure that forgiveness applications can be submitted in a timely manner. The most recent guidance available on SBA's website appears to be from August 11th. While we appreciate the desire to ensure accurate information is provided, this is far too long for borrowers and lenders to be sitting waiting on updated information – and leaves them in an unnecessarily difficult position.

In addition, despite receiving nearly 100,000 applications for loan forgiveness since early August, not a single one has been either approved or rejected. We share your goal of using taxpayer funds appropriately, but this seems to go well beyond simply proper due diligence. A report last week from the Government Accountability Office (GAO) found that as of August 14th, SBA had not finalized its procedures for loan reviews.² We hope this is no longer the reason for these delays, and that approvals will soon begin.

To better understand how this situation has developed and when it may be resolved, we seek answers to the following questions:

¹ <https://www.politico.com/news/2020/09/27/no-forgiveness-small-businesses-still-on-hook-for-rescue-loans-421940>

² <https://www.gao.gov/reports/GAO-20-701/>

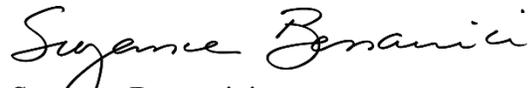
1. Are SBA and/or Treasury working on updated guidance, either in the form of a new forgiveness application, application instructions, or frequently asked questions?
 - a. If so, when is this expected to be publicly available and usable?
 - b. If there are other relevant materials not posted on SBA.gov, please identify them so we can help ensure constituents have access to the latest materials.
2. Why have there still not been any final decisions regarding the 100,000 loan forgiveness applications that have been submitted, and when can we expect those to begin?
 - a. If, as the GAO report indicated, there were delays prior to SBA beginning to process these applications, we ask for a timeline of when that began, as well as estimates of how long the process is expected to take.
 - b. If these delays are due to individual application review, please provide examples of the types of problems causing delays. While we understand some information may be confidential, we would urge you to share the kinds of problems you've seen so that we might be able to assist.

We hope the SBA and Treasury will move swiftly to remedy the lack of information for borrowers and lenders about these applications and to correct the delays in forgiveness application review. Given the time sensitive nature of the issue, we request a response no later than October 15, 2020.

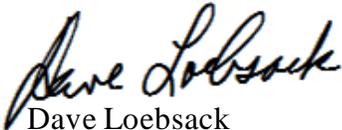
Sincerely,



Cindy Axne
Member of Congress



Suzanne Bonamici
Member of Congress



Dave Loebsack
Member of Congress



Ed Case
Member of Congress