



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

June 9, 2020

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

The Honorable Jovita Carranza
Administrator
U.S. Small Business Administration
403 3rd St SW
Washington, D.C. 20416

Dear Secretary Mnuchin and Administrator Carranza,

We write to raise concerns for a continued lack of transparency and guidance around the implementation of the Economic Injury Disaster Loan (EIDL) Program. This historically successful disaster relief program has faced persistent challenges throughout the COVID-19 pandemic, creating confusion and stress for millions of small business owners who now, more than ever, need clarity and financial relief. We request your immediate response to the below concerns so that we may work together to provide small business owners with the information and resources they so desperately need.

We recognize that the SBA is facing an unprecedented volume of applications for EIDL loans and advance grants, which is why Congress allocated an additional \$50 billion for the program in late April. It was the intent of Congress that these funds be put to immediate use to provide financial support to millions of small business owners who are anxiously awaiting loan and advance grant approval. Yet, we continue to hear concerning reports from our constituents that applications as far back as March have yet to be addressed and attempts to contact the SBA through the recommended channels are futile.

We are further concerned by SBA's unilateral decision to cap EIDL loans at \$150,000, despite clear language in law stating that small businesses may borrow up to \$2 million. This change was not only inadequately announced, but will leave millions of applicants in the lurch when they discover the loan they have waited months to receive is as much as \$1,850,000 *under* their calculated need to weather this crisis. During a time of such uncertainty, American business owners need, and deserve, assurances that the relief they have been promised is in fact on its way. With this in mind, we request answers to the following questions:

1. Application Status

- a. What steps are the SBA taking to update individual applicants, currently in the system, on the status of their application?

- b. What improvements are the SBA making to ensure applicants are informed of eligibility in a timely fashion?

2. EIDL Loan and Advance Grants:

- a. What was the SBA's reasoning for lowering the EIDL maximum loan amount from \$2,000,000 to \$150,000?
- b. What steps has the SBA taken to update small business owners who applied for loans above the new limit?
- c. What guidance has the SBA provided current applicants on changes made to available EIDL advance grants, and what they can expect to receive?

As directed by Congress, we are pleased that agriculture related businesses now have access to the EIDL program, but we are concerned that now over a month and a half after limiting eligibility for EIDL, the SBA has not provided any guidance on when non-agriculture related businesses can begin applying for the loans and advance grants once again. Given the lack of data shared on the status of the EIDL program, we are further concerned that a backlog of new agriculture related EIDL applicants is growing.

3. New EIDL Applications:

- a. What is the existing backlog of new EIDL applicants from agriculture related businesses?
- b. What is the SBA's timeline for extending EIDL eligibility to all small business owners?

Lastly, we echo the call from our House colleagues in a May 4th letter, and Senators in a May 9th letter, requesting regular updates to Congress on the number of applicants served thus far through the EIDL program and the total amount of funds distributed. We understand the SBA is under immense pressure, but the agency is not alone in facing unprecedented demands during this pandemic. Transparency is paramount to providing Congress and small business owners with the information we need to plan for next steps, and we look forward to more timely updates from the SBA.

Thank you for your attention to this matter, as well as your work on behalf of small businesses nationwide. We look forward to your response.

Sincerely,



Joseph D. Morelle
Member of Congress

/s/ Alma S. Adams, Ph.D.
Member of Congress

/s/ Donald S. Beyer Jr.
Member of Congress

/s/ Julia Brownley
Member of Congress

/s/ Joyce Beatty
Member of Congress

/s/ Sanford D. Bishop, Jr.
Member of Congress

/s/ Cheri Bustos
Member of Congress

/s/ Salud Carbajal
Member of Congress

/s/ Ed Case
Member of Congress

/s/ Emanuel Cleaver, II
Member of Congress

/s/ Joe Courtney
Member of Congress

/s/ Peter A. DeFazio
Member of Congress

/s/ Debbie Dingell
Member of Congress

/s/ Lizzie Fletcher
Member of Congress

/s/ Josh Harder
Member of Congress

/s/ Jahana Hayes
Member of Congress

/s/ Ann Kirkpatrick
Member of Congress

/s/ Dave Loebsack
Member of Congress

/s/ Gregory W. Meeks
Member of Congress

/s/ Kweisi Mfume
Member of Congress

/s/ Eleanor Holmes Norton
Member of Congress

/s/ Jimmy Panetta
Member of Congress

/s/ Kathleen M. Rice
Member of Congress

/s/ Tim Ryan
Member of Congress

/s/ André Carson
Member of Congress

/s/ David N. Cicilline
Member of Congress

/s/ Steve Cohen
Member of Congress

/s/ Angie Craig
Member of Congress

/s/ Ted Deutch
Member of Congress

/s/ Eliot L. Engel
Member of Congress

/s/ Bill Foster
Member of Congress

/s/ Alcee L. Hastings
Member of Congress

/s/ Derek Kilmer
Member of Congress

/s/ Mike Levin
Member of Congress

/s/ Alan Lowenthal
Member of Congress

/s/ Grace Meng
Member of Congress

/s/ Grace F. Napolitano
Member of Congress

/s/ Tom O'Halleran
Member of Congress

/s/ Jamie Raskin
Member of Congress

/s/ Harley Rouda
Member of Congress

/s/ Gregorio Kilili Camacho Sablan
Member of Congress

/s/ Michael F.Q. San Nicolas
Member of Congress

/s/ Jan Schakowsky
Member of Congress

/s/ Mikie Sherrill
Member of Congress

/s/ Adam Smith
Member of Congress

/s/ Thomas R. Suozzi
Member of Congress

/s/ Paul Tonko
Member of Congress

/s/ Bonnie Watson Coleman
Member of Congress

/s/ Frederica S. Wilson
Member of Congress

/s/ Mary Gay Scanlon
Member of Congress

/s/ Kim Schrier, M.D.
Member of Congress

/s/ Albio Sires
Member of Congress

/s/ Jackie Speier
Member of Congress

/s/ Dina Titus
Member of Congress

/s/ Lori Trahan
Member of Congress

/s/ Peter Welch
Member of Congress

/s/ Earl Blumenauer
Member of Congress