



**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 4<sup>th</sup> letter, and Senators in a May 9<sup>th</sup> 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