

**Congress of the United States**  
**Washington, D.C. 20515**

April 15, 2021

The Honorable Isabel Guzman  
Administrator  
**U.S. Small Business Administration**  
409 3<sup>rd</sup> St. SW  
Washington, D.C. 20416

Dear Ms. Guzman,

We write to you today to request an update on the U.S. Small Business Administration's (SBA) ongoing efforts to forgive eligible Paycheck Protection Program (PPP) loans. To date, PPP has been an essential backstop for businesses that have struggled to stay open in the wake of numerous state-wide government shutdowns. Unfortunately, the ongoing backlog of loan forgiveness applications is hindering both lenders and businesses alike as they are unable to properly plan for their future due to the uncertainty of their applications.

PPP loans have unquestionably helped small businesses withstand the devastating economic effects brought on by the COVID-19 pandemic. As of March 29, 2021, the SBA has approved more than 8.7 million PPP loans totaling nearly \$734 billion. Many small businesses across the country have been able to continue operations due, in large part, to the assistance provided under the PPP.

While we are appreciative of the SBA's ongoing efforts, there remains a large number of outstanding PPP loan forgiveness applications that have not received a response from the SBA. Under the Interim Final Rule issued on January 19, 2021, the SBA is required to issue a decision within a 90-day period from when the application is received. However, businesses and banks across the country are waiting past the 90-day deadline for a response. To clear the backlog, these employers and their employees need the same sense of urgency from banks and the SBA that they showed in order to set up and fund PPP.

In the meantime, these entities are stuck holding enormous liabilities on their balance sheets – preventing them launching new projects, employing more people, and growing their businesses. Similarly, banks are forced to take precautionary measures, such as setting aside cash that could be invested elsewhere. The SBA's delayed response only hinders future economic growth and undermines the purpose of PPP.

Small businesses must receive clarity on the status of their loan in a timely manner. While we understand there is a high volume of loan applications at the SBA, we are nonetheless committed to ensuring there are no undue administrative delays. To help us gain a better understanding of the circumstances regarding the PPP loan forgiveness backlog, we request that the SBA provide the following information by April 30, 2021:

- the number of current loan forgiveness applications that are past the 90-day deadline;
- the average number of days it takes to respond to a loan forgiveness application;
- the frequency of inaccurate or incomplete applications in which a lender is asked to review and provide corrected information; and
- any information regarding staffing or resource shortages within the SBA that is impairing its ability to process loan forgiveness applications.

Thank you again for your commitment to helping small businesses withstand the devastating effects economic effects from COVID-19. As we emerge from this pandemic, we remain appreciative your ongoing efforts and look forward to working with you moving forward.

Sincerely,



Warren Davidson  
Member of Congress



Roger Williams  
Member of Congress



Anthony Gonzalez  
Member of Congress



Claudia Tenney  
Member of Congress



Ted Budd  
Member of Congress



French Hill  
Member of Congress



Maria Elvira Salazar  
Member of Congress



Dan Meuser  
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David Kustoff  
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Scott Fitzgerald  
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Beth Van Duyne  
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Van Taylor  
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Young Kim  
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Andrew Garbarino  
Member of Congress



John Rose  
Member of Congress



Jim Hagedorn  
Member of Congress



Byron Donalds  
Member of Congress



Pete Stauber  
Member of Congress



Steve Stivers  
Member of Congress

CC: Janet Yellen, Secretary of the Treasury