

Congress of the United States

Washington, DC 20510

June 15, 2022

Ms. Isabel Guzman
Administrator
Small Business Administration
409 3rd St., SW
Washington, DC 20416

Dear Administrator Guzman,

We write to express concerns regarding the lack of transparency around the end of the Economic Injury Disaster Loan (EIDL) program. Congress has appropriated over \$1 trillion in critical support for the hardest-hit small businesses, including funds for the Economic Injury Disaster Loan (EIDL) program. While EIDL has helped more than 3.9 million small businesses across the country, many were shut out from receiving relief in the first round or left in the dark on the status of their applications with the Small Business Administration (SBA). We urge you to work with these small business EIDL applicants to provide immediate relief. They deserve clarity.

Thousands of small businesses are still feeling the effects of the pandemic, and some have had to close all together. Not only have many of these businesses lost two years' worth of revenue, but it will also take them years to financially recover from the debt they have accrued to stay afloat during this time. Since SBA stopped accepting applications for new COVID EIDL loans on January 1, 2022 and stopped accepting both loan increase requests and requests for reconsideration of previously declined loan applications on May 5, 2022, our offices have received numerous phone calls and emails from disappointed small business owners in our districts who were left without recourse or relief.

What we find most concerning is that SBA attributes its latest decision to funds having been depleted but failed to communicate this with our constituents well ahead of time and even provided inconsistent information to those with pending applications throughout the process – despite doing their due diligence to give SBA what was asked of them in a timely manner. Specifically, we have heard from constituents with pending applications who were told by SBA that they would be or had been approved, and that the deadline would not be an issue, or whose inquiries were left unanswered for months and all were subsequently denied after funds had been depleted. These constituents were not notified by the SBA that being approved was not the final step in the application process, rather that the funds had to be obligated before the deadline. We also heard from some constituents who were never given the opportunity to make adjustments to their original application or were outright denied with little to no explanation but told to appeal the decision by May 6, 2022, only to be denied again due to funding issues.

The lack of transparency and accountability in how SBA has chosen to adjudicate and process applications is alarming, as is the repeated pattern of miscommunication our constituents have

experienced. We urge you to provide clarity on how SBA processed applications and intends to remedy these shortfalls going forward.

We look forward to a response from you on these issues.

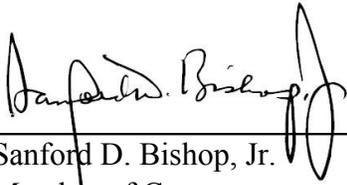
Sincerely,



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Member of Congress



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Member of Congress



Sanford D. Bishop, Jr.
Member of Congress



David J. Trone
Member of Congress



Jamie Raskin
Member of Congress



Katie Porter
Member of Congress



Brian Fitzpatrick
Member of Congress



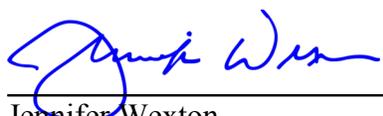
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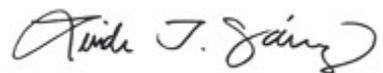
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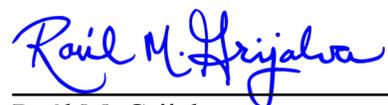
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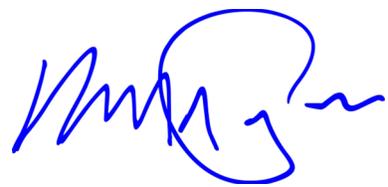
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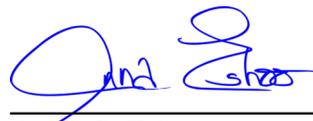
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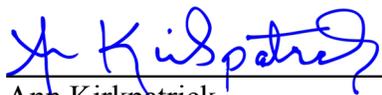
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