

September 18, 2020

The Honorable Steven Mnuchin  
Secretary  
U.S. Treasury  
1500 Pennsylvania Avenue, N.W.  
Washington, D.C. 20220

The Honorable Jovita Carranza  
Administrator  
U.S. Small Business Administration  
409 3rd Street, S.W.  
Washington, D.C. 20416

Dear Secretary Mnuchin and Administrator Carranza:

Thank you for your leadership in helping guide the country and our nation's small businesses through one of the most challenging economic periods in the history of this nation. Your steadfast leadership in working with Congress to ensure that millions of small businesses were open and able to maintain payroll through the Paycheck Protection Program (PPP) helped save millions of jobs. The banking industry was pleased to work in partnership with the public sector to ensure that PPP was properly administered and that small businesses in communities across the country could receive the funding they needed.

As small businesses move to the next phase of reopening and normalizing business operations, it is important that we not hinder their ability to get to the new normal and not unintentionally saddle them with unexpected debt. In congressional testimony, you have indicated that the PPP loans were intended to be grants and that these loans should be forgiven. To date, millions of small businesses have not submitted paperwork to seek forgiveness because the process remains too burdensome, particularly for small businesses with limited resources, few personnel, and lack of time to devote the many hours required to complete these forms. If these businesses fail to submit the proper paperwork due to this complexity and time burden, these grants will become loans, undoing the economic promise of PPP.

Borrowers and lenders have done well in working through this unprecedented program, with its rolling guidance and evolving requirements. The major issue still outstanding is the overly-complex forgiveness process. We strongly believe that congressional proposals, such as the bipartisan S. 4117, *the Paycheck Protection Small Business Forgiveness Act* and its House companion, H.R. 7777, which provide for a streamlined application for loans up to \$150,000 based on a single-paged attestation form, provide some direction on how to expedite the forgiveness process. With negotiations on a comprehensive COVID-19 relief package stalled, and with the clock ticking before Congress adjourns for an extended period, we urge you to take immediate administrative action on this issue.

A straightforward forgiveness process will help over four million small businesses and could enhance the program's already substantial economic impact. Importantly, the Treasury and the SBA have within their authority the ability to create a streamlined, simple one-page attestation process for loan forgiveness. As you continue to fine-tune the forgiveness application intake system, we urge quick action to establish such a simplified application process.

You both have stated on multiple occasions that the goal of the PPP is for these loans to be forgiven. On behalf of our member banks and their millions of small business customers, we urge you to meet that goal and improve the loan forgiveness process for participating small businesses across the country.

Sincerely,

American Bankers Association  
Alabama Bankers Association  
Alaska Bankers Association  
Arizona Bankers Association  
Arkansas Bankers Association  
California Bankers Association  
Colorado Bankers Association  
Connecticut Bankers Association  
Delaware Bankers Association  
Florida Bankers Association  
Georgia Bankers Association  
Hawaii Bankers Association  
Idaho Bankers Association  
Illinois Bankers Association  
Indiana Bankers Association  
Iowa Bankers Association  
Kansas Bankers Association  
Kentucky Bankers Association  
Louisiana Bankers Association  
Maine Bankers Association  
Maryland Bankers Association  
Massachusetts Bankers Association  
Michigan Bankers Association  
Minnesota Bankers Association  
Mississippi Bankers Association  
Missouri Bankers Association  
Montana Bankers Association  
Nebraska Bankers Association  
Nevada Bankers Association  
New Hampshire Bankers Association  
New Jersey Bankers Association  
New Mexico Bankers Association  
New York Bankers Association

North Carolina Bankers Association  
North Dakota Bankers Association  
Ohio Bankers League  
Oklahoma Bankers Association  
Oregon Bankers Association  
Pennsylvania Bankers Association  
Puerto Rico Bankers Association  
Rhode Island Bankers Association  
South Carolina Bankers Association  
South Dakota Bankers Association  
Tennessee Bankers Association  
Texas Bankers Association  
Utah Bankers Association  
Vermont Bankers Association  
Virginia Bankers Association  
Washington Bankers Association  
West Virginia Bankers Association  
Wisconsin Bankers Association  
Wyoming Bankers Association