

Ben McAdams

Utah's 4th District,

Washington Office

130 Cannon House Office Building
Washington, DC 20515
(202) 225-3011

Utah District Office

9067 S. 1300 West, Suite #101
West Jordan, UT 84088
(801) 999-9801



Committee on Financial Services
Committee on Science, Space, and
Technology

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

April 28, 2020

The Honorable Steven Mnuchin
Secretary
U.S. Department of the Treasury
1500 Pennsylvania, NW
Washington, DC 20220

The Honorable Jovita Carranza
Administrator
U.S. Small Business Administration
409 3rd Street, SW
Washington, DC 20416

Dear Secretary Mnuchin and Administrator Carranza:

I write to you with great frustration and a plea for our nation's small business owners. The relaunch of the Paycheck Protection Program (PPP) has been a failure, and you must take immediate steps to fix this program and to provide Congress with the information necessary to ensure transparency and true oversight of the program.

Congress provided an additional \$310 billion in funding for forgivable PPP loans through the Paycheck Protection Program and Health Care Enhancement Act (Public Law 116-139). This is in addition to the nearly \$350 billion provided under the CARES Act (Public Law 116-136). The Small Business Administration (SBA) and Treasury announced that SBA would resume accepting PPP applications as of 10:30am EDT yesterday morning. Since that time, I've heard from numerous lenders that they are unable to process loans and have heard from countless small business who are still desperately waiting for this economic lifeline. These lenders report a broken E-TRAN system, constantly changing guidelines on how to upload loans and when the loans are deemed approved, and a last minute notice that SBA would accept bulk submissions and would throttle loan uploads per hour. Regardless of any supposed limit on applications per lender per hour, the lenders I have spoken to have not been able to process even a small fraction of their existing loan queue due to technological failures, well below the supposed hourly limit. If lenders can't process loans, small businesses can't receive assistance. Period.

That's the critical question and concern: if Utah lenders are unable to upload and process loan applications and Utah small businesses are still being left out in the cold, which financial institutions are getting through and which businesses are benefiting? SBA and Treasury must produce the list of businesses receiving this lifeline. To date, SBA and Treasury have failed to provide relevant information to Congress to ensure proper oversight of taxpayer funds and have failed to provide transparency to American small businesses. Even an audit snapshot from yesterday's approvals could be illuminating in determining who is benefiting and who is not.

You owe it to taxpayers and to Congress to provide needed details on how these programs are, or are not, working, and you should take immediate steps to improve the E-TRAN system and to improve communication with lenders and businesses. Our nation's economy and the hard-working American business owners and employees can't afford for you to fail at this taxpayer-funded endeavor.

I look forward to your immediate response to these concerns and stand ready to work with you to ensure true small businesses have access to this economic lifeline.

Sincerely,

A handwritten signature in black ink, appearing to read "Ben McAdams". The signature is written in a cursive style with a large, prominent initial "B" that loops around the first part of the name.

Ben McAdams
Member of Congress