

Congress of the United States
Washington, DC 20515

October 18, 2021

The Honorable Isabel Casillas Guzman
Administrator
United States Small Business Administration
409 3rd Street, SW
Washington, DC 20024

Dear Administrator Guzman:

We are concerned with the lack of communication and responsiveness from the Small Business Administration (SBA) to the nation's smallest businesses, their lenders, and Congressional offices. Now more than ever, clear, concise, and accurate information is essential to America's economic recovery.

During the pandemic, small businesses across the country turned to the SBA and their programs for relief to keep their doors open and workers employed. Unfortunately, business owners have been met with uncertainty stemming from delayed approvals, lack of communication, and nonexistent transparency. While the list of complaints is long, numerous small businesses have struggled to obtain information regarding their Economic Injury Disaster Loans (EIDL). Unanswered questions and disbursement delays have left the nation's job creators with limited options.

Moreover, lenders, who have worked tirelessly to assist small businesses and entrepreneurs during the emergency period with the Paycheck Protection Program (PPP), have faced equally conflicting messages originating from the SBA. The public private partnership structure, whereby lenders work with qualified small businesses and disburse capital, excelled by utilizing private sector efficiencies. Additionally, with inherent fraud protections built in, this lending partnership continues to safeguard American taxpayer dollars. However, communication from your office to lenders remains disorganized. As the respective Ranking Members of the House Small Business Committee and the House Financial Services Committee, we must ensure these emergency relief programs are being operated effectively and efficiently. It is critical that the SBA improve its management of the programs and provide timely and detailed updates to program participants.

Furthermore, we are deeply troubled with the lack of attention and communication that the SBA is dedicating to Members of Congress. Over the past several months, multiple state delegations have sent letters to you expressing the challenges they have faced when requesting information from your office. These questions range from inquiries about changing rules to

critically important casework questions on behalf of constituent businesses. When letters are sent, the SBA's response can take multiple months. It is unacceptable for Members' questions to go unanswered or to receive generic responses with haphazard or limited information.

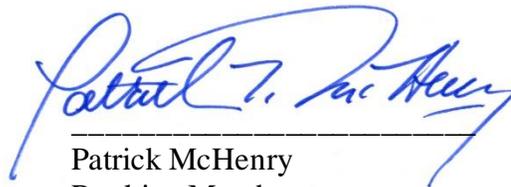
For example, we are aware of several constituents whose EIDL applications were denied on the basis of "unverifiable information" without additional context. They were instructed to apply for reconsideration; however, it seems this task would be difficult to successfully complete without knowing what the SBA claims is "unverifiable." Additionally, it appears that casework inquiries have been handled by the SBA in an indiscriminate and unorganized fashion. Our constituents face repeatedly submitting the same documents or information depending on which SBA employee they speak to on a given day. As their Representatives in Washington, it is our responsibility to assist and support our constituents, but the SBA is making it increasingly difficult to provide any substantive and regular updates to them. This lack of communication amplifies the difficulty for small businesses to make decisions in an already challenging environment.

Small businesses and their workers across the country are urgently waiting for answers. They simply do not have the luxury to wait months. Many of these programs are temporary, therefore delayed responses will not suffice. We urge you to take immediate action to review outstanding inquiries from all Members of Congress and increase communication with their offices, small businesses, and the lenders that assist them. Anything less from the agency charged with aiding America's small businesses is unacceptable.

Sincerely,



Blaine Luetkemeyer
Ranking Member
Committee on Small Business



Patrick McHenry
Ranking Member
Committee on Financial Services