

United States Senate

April 10, 2020

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

Dear Administrator Carranza:

I write today to highlight the issues Montana small businesses and lenders are experiencing with the Small Business Administration's (SBA) implementation of the COVID-19 response initiatives. These individuals play a critical role in mitigating the impacts of this public health crisis and they need to be able to effectively navigate the resources Congress provided through the bipartisan Coronavirus Aid, Relief, and Economic Security (CARES) Act. I urge you to quickly distribute these resources as efficiently as possible during this time of uncertainty.

While the CARES Act is far from perfect, I fought to ensure small businesses would receive relief they need to weather this storm and ultimately supported its passage. Unfortunately, I am hearing from frustrated small business owners about the lack of clarity on what resources are available, the frequent malfunctioning of the SBA's website, and the delay in funds getting into the hands of those who need them. These administrative barriers need to be addressed immediately.

I have heard similar concerns in my frequent conversations with Montana's financial lenders. Before opening these initiatives to businesses, the SBA failed to provide community banks and lenders with adequate guidance. These lending partners must have access to the tools they need to facilitate these programs. Additionally, SBA needs to leverage existing resources, including Community Development Financial Institutions, to ensure that even the smallest businesses are able to quickly access this program.

Congress entrusted the SBA with the responsibility to administer resources to our small businesses to ensure economic stability in our communities. However, many of Montana's main street businesses and job providers were ineligible for the SBA's Paycheck Protection Program. Not allowing businesses that profit from legal gaming leaves behind many of Montana's family-run taverns and native-owned businesses. It also doesn't take into account seasonal workers that contribute to Montana's thriving outdoor economy. While the program rightly is open currently to organizations not ordinarily eligible for SBA loans including some nonprofits, it leaves out groups that provide important support for our communities.

Your agency plays a critical role in combating the impacts of COVID-19 and I appreciate the challenges you face moving forward. Please do not hesitate to contact me if I can be of any assistance.

Sincerely,

A handwritten signature in blue ink, appearing to read "Jon Tester", with a long horizontal flourish extending to the right.

Jon Tester