

July 9, 2020

The Honorable Mitch McConnell
Majority Leader
United States Senate
Washington, D.C. 20510

The Honorable Nancy Pelosi
Speaker of the House
U.S. House of Representative
Washington, D.C. 20515

The Honorable Chuck Schumer
Minority Leader
United States Senate
Washington, D.C. 20510

The Honorable Kevin McCarthy
Minority Leader
U.S. House of Representatives
Washington, D.C. 20515

Dear Majority Leader McConnell, Speaker Pelosi and Minority Leaders Schumer and McCarthy:

Thank you for your active involvement in ensuring that small businesses remain vibrant employers in our country. The banking industry is pleased to be part of these efforts and continues to play an active role in assisting businesses in every region of this country.

As you continue to work to assist impacted small businesses, the undersigned state banking associations, representing banks of all sizes in every state, write to express our strong support for *S. 4117, The Paycheck Protection Program Small Business Forgiveness Act*, sponsored by Senators Kevin Cramer, Bob Menendez, Thom Tillis and Kyrsten Sinema. This bipartisan legislation provides much-needed changes to the loan forgiveness process by making it easier and less technical for smaller borrowers, whose businesses are already at greatest risk because of the COVID-19 pandemic.

If enacted, this legislation would forgive Paycheck Protection Program (PPP) loans of less than \$150,000 upon the borrower's completion of a simple, one-page forgiveness document. Simplifying the forgiveness application process for the smallest borrowers will provide additional relief to struggling small businesses by eliminating the existing requirement to spend hours dealing with unnecessarily complicated paperwork or expending precious dollars on consultants in order to comply. According to the U.S. Small Business Administration's (SBA) data, PPP loans of \$150,000 and under, account for approximately 85 percent of total recipients, but less than 26 percent of loan dollars.

In addition to relieving these small businesses of the significant time and expenses required by the guidance released, this automatic forgiveness for all loans of \$150,000 and under, will also relieve SBA from an enormous administrative burden created by millions of requests for forgiveness. As the country continues to struggle with the economic consequences of the COVID-19 pandemic, S.4117 will allow SBA to better utilize its limited resources to positively impact our nation's small businesses.

Banks of all sizes will continue to support their business customers and do their part to spur the economic recovery to come. In order to help our nation's smallest small businesses, we urge Congress to quickly pass the Paycheck Protection Program Small Business Forgiveness Act to provide necessary relief to millions of small businesses.

Sincerely,

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

cc: The Honorable Marco Rubio
Chairman
Committee on Small Business & Entrepreneurship

The Honorable Ben Cardin
Ranking Member
Committee on Small Business & Entrepreneurship

The Honorable Nydia M. Velázquez
Chairwoman
Committee on Small Business

The Honorable Steve Chabot
Ranking Member
Committee on Small Business

Members of the United States Senate

Members of the U.S. House of Representatives