

March 13, 2020

Ms. Jovita Carranza  
Administrator  
U.S. Small Business Administration  
409 3rd St SW  
Washington, D.C. 20416

Dear Administrator Carranza,

We write today to express our concern about the impact of the Coronavirus Disease 2019 (COVID-19) on our nation's small businesses and non-profits. While protecting the public's health and safety should always remain our top priority, we have also seen how the COVID-19 outbreak is already causing severe operating challenges and reduced consumer demand for our nation's small businesses.

We are grateful for your partnership in ensuring small business disaster loans are available to small businesses and non-profits across the country. We are pleased that *H.R. 6074, Coronavirus Preparedness and Response Supplemental Appropriations Act*, provides the Small Business Administration (SBA) additional authority to make low-interest loans available under the Economic Injury Disaster Loan (EIDL) program.

Additionally, we are encouraged that in his remarks on Wednesday, March 11, 2020, President Trump pledged to dramatically expand SBA's small business loan authority by an additional \$50 billion. We are optimistic that these measures would help give small businesses and non-profits short-term relief as they face supply chain disruption, slowed economic activity, and payroll challenges due to COVID-19.

Under standard terms, the rates for SBA economic injury loans are 4% for small businesses and 2.625% for nonprofit organizations, with terms up to 30 years. As SBA continues its effort to provide support to our nation's small businesses and non-profits during the COVID-19 outbreak, we encourage you to consider offering no-interest rate loans to small businesses and non-profits that face severe and prolonged impacts.

By providing no-interest rate loans and more flexible terms on these working capital loans, we can help ensure businesses and non-profits have the resources to keep their doors open through these uncertain times, without having to worry about burdensome interest payments in the future. Doing so would help make sure our small business economy is well-poised to emerge from this pandemic stronger than ever.

Thank you again for your continued leadership and dedication in providing relief to small businesses. We stand ready to work alongside you to assist our nation's small businesses.

Sincerely,