Month Date, 2020

Mrs. Jovita Carranza

Administrator

U.S. Small Business Administration

409 3rd St, SW   
Washington, DC 20220

Sent via Email [Jovita.Carranza@sba.gov](mailto:Jovita.Carranza@sba.gov)

**Re: Paycheck Protection Program (PPP)**

Administrator Carranza,

My name is [Name], and I am the [Title of Company Name]. [Add brief description of your company].

While the COVID-19 pandemic has quickly impacted the revenue streams of many businesses, considerable uncertainty and tough times lie ahead for most as the actual impact of economic damage unfolds. The Paycheck Protection Program (PPP) has provided critical funding to allow businesses to maintain employment levels for as long as possible. Without the PPP, there would have been significantly more job losses, and related pressure on unemployment agencies, than has otherwise occurred. These loans either fund unproductive labor costs that a business would not otherwise be willing or able to maintain at a time of extreme economic uncertainty, or they are required to be repaid. They do not enrich the businesses they were designed to help.

The PPP guidance recently issued — specifically questions 31, 37 and 39 of the FAQs — and the tone expressed by the SBA in conjunction with the Department of Treasury are contrary to the original intent of the CARES Act and have caused widespread confusion among recipients. How can a business possibly predict today, particularly with the uncertainty in medical modeling, how the pandemic will impact their revenue and liquidity over the next several quarters? I am urging you to immediately issue guidance that restores borrower confidence. Otherwise, there is certain to be another round of massive layoffs from businesses imprudently succumbing to the uncertainty and fear of regulatory enforcement by either repaying the loan immediately, or planning to do so in lieu of forgiveness. Businesses cannot, and should not, exhaust debt and personal capital to fund nonproductive labor costs at the front end of what is likely to be a deep recession.

Please consider and issue new guidance immediately, and hopefully prior to the impending May 14 deadline. Feel to contact me directly at [Phone Number] to discuss further.

Respectfully,

[Name, Title]