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Committee on Financial Services Committee on Science, Space, and Technology

Congress of the United States House of Representatives

Washington, DC 20515

April 17, 2020

The Honorable Steven Mnuchin Secretary U.S. Department of the Treasury 1500 Pennsylvania, NW Washington, DC 20220 The Honorable Jovita Carranza Administrator U.S. Small Business Administration 409 3rd Street, SW Washington, DC 20416

Dear Secretary Mnuchin and Administrator Carranza:

I write with concerns on the implementation of the Paycheck Protection Program (PPP), specifically as it relates to franchise businesses.

I have heard from numerous small business owners in my district, specifically in the janitorial and salon industries, whose companies have been excluded from eligibility for PPP loans due to not being included in the Small Business Administration's (SBA) Franchise Registry, even after appealing to be included. The Coronavirus Aid, Relief, and Economic Security (CARES) Act included a provision with the intent to waive SBA affiliation rules for franchise businesses, and it is disappointing that the intent of the law has not been followed. The end result is that employers in my district, with hundreds of employees, cannot access important financial resources provided by Congress to maintain their payroll at a time when their businesses are struggling the most.

I urge you to reverse course, and to allow all franchise businesses to be eligible for PPP loans, regardless of their inclusion in the SBA Franchise Registry. It is important that this problem be rectified to protect Utah jobs and our economy.

Thank you for your consideration, and I look forward to working with you to ensure all small businesses receive the assistance they need.

Sincerely,

Ben McAdams Member of Congress