



Missouri Bankers Association

June 2, 2020

The Honorable Steven Mnuchin
Secretary
U.S. Treasury
1500 Pennsylvania Avenue, N.W.
Washington, D.C. 20220

The Honorable Jovita Carranza
Administrator
U.S. Small Business Administration
409 3rd Street, S.W.
Washington, D.C. 20416

Dear Secretary Mnuchin and Administrator Carranza:

We the undersigned associations are writing on behalf of each of our members in Missouri to express our concerns that the process associated with the Paycheck Protection Program (PPP) Loan Forgiveness application as outlined in the recently released guidance is unnecessarily burdensome on our nation's small businesses. We urge you to consider a streamlined process for small loans.

We are concerned that this process will require even the smallest PPP borrowers to hire outside experts in order to realize the purpose of the program and receive forgiveness of their PPP loan. With the SBA estimate that each loan forgiveness application will take up to three hours to complete, businesses will struggle to complete these applications in a timely manner due to this technical and burdensome process. On behalf of the banks, credit unions and businesses across our state, we urge you to consider a more streamlined process.

We believe it would best serve the interests of small business owners, taxpayers, and the policy objectives established by Congress, to consider making the loan forgiveness process easier and less technical for smaller borrowers, whose businesses are already at greatest risk because of COVID-19. We urge you to consider a de minimis threshold under which borrowers with outstanding loans may receive 100% PPP loan forgiveness through completion of a "PPP-EZ form" – a simple one-page attestation – acknowledging that they spent the majority of PPP funds to preserve the jobs of their employees as outlined in the guidance and consistent with their PPP application. Borrowers could still be asked to maintain documentation in the case of an SBA audit in future years, but 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, performing calculations, or expending precious dollars on consultants in order to comply.

