

**Congress of the United States**  
**Washington, DC 20515**

July 9, 2020

The Honorable Jovita Carranza  
Administrator  
Small Business Administration  
409 Third Street SW, Suite 7900  
Washington, DC 20416-2230

Dear Administrator Carranza:

Thank you for your work assisting small businesses during this extraordinarily difficult time. We understand the challenges posed by the magnitude of this unprecedented crisis and subsequent scale of the congressional response. Your leadership and the work of the Small Business Administration (SBA) are deeply appreciated.

We write to you regarding the Economic Injury Disaster Loan (EIDL) program. As you are aware, the EIDL program has served as a lifeline for millions of small businesses during this pandemic. Thanks to the low-interest, long-term federal disaster assistance, some businesses are able to stay afloat, and some are even beginning to rebound.

However, we have heard from many small business owners who have applied for EIDL funds that they are either hesitant to itemize working capital or reluctant to use approved loans for activities adhering to Centers for Disease Control and Prevention (CDC) health and safety guidelines as they begin the process of reopening their businesses. According to the COVID-19 SBA Disaster Assistance website, the loan funds can only be used for working capital expenditures such as fixed debts, payroll, accounts payable, and other bills that could have been paid had the disaster not occurred.<sup>1</sup> To further complicate matters, there is no clear definition of working capital eligible activities written in current SBA regulations or SBA Standard Operating Procedure (SOP) that explicitly includes safety measures.<sup>23</sup>

Congress intended to provide federal loans to small business owners so they can retain employees on their payroll and, in possible scenarios, bring them back to work. It is imperative that these owners have the ability to use EIDL loans toward safety and mitigation activities such as purchasing personal protective equipment, touchless point-of-sale systems, and glass partitions to ensure the health and safety of their employees and customers.

To that end, we urge you to issue clear guidance in official SBA documents, either in the SBA regulations or SBA SOP, that expenses to implement CDC COVID-19 recommendations for businesses and workplaces should be considered eligible working capital expenditures.<sup>4</sup>

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<sup>1</sup> <https://www.sba.gov/funding-programs/disaster-assistance/coronavirus-covid-19>

<sup>2</sup> [https://www.ecfr.gov/cgi-bin/text-idx?SID=f5f571a8170850a272f67bc304765fe4&mc=true&node=se13.1.123\\_1303&rgn=div8](https://www.ecfr.gov/cgi-bin/text-idx?SID=f5f571a8170850a272f67bc304765fe4&mc=true&node=se13.1.123_1303&rgn=div8)

<sup>3</sup> <https://www.sba.gov/sites/default/files/2018-06/SOP%2050%2030%209-FINAL.PDF>

<sup>4</sup> <https://www.cdc.gov/coronavirus/2019-ncov/community/organizations/businesses-employers.html>

Thank you for your attention to this matter. We look forward to your response.

Sincerely,

\_\_\_\_\_/s/  
Ted W. Lieu  
Member of Congress

\_\_\_\_\_/s/  
Brian Fitzpatrick  
Member of Congress

\_\_\_\_\_/s/  
Angie Craig  
Member of Congress

\_\_\_\_\_/s/  
Eleanor Holmes Norton  
Member of Congress

\_\_\_\_\_/s/  
Jamie Raskin  
Member of Congress

\_\_\_\_\_/s/  
Ed Case  
Member of Congress

\_\_\_\_\_/s/  
Jackie Speier  
Member of Congress

\_\_\_\_\_/s/  
Mark Takano  
Member of Congress

\_\_\_\_\_/s/  
Thomas R. Suozzi  
Member of Congress

\_\_\_\_\_/s/  
Grace F. Napolitano  
Member of Congress

\_\_\_\_\_/s/  
Jerry McNerney  
Member of Congress

\_\_\_\_\_/s/  
Ted Deutch  
Member of Congress

\_\_\_\_\_/s/  
Raúl M. Grijalva  
Member of Congress

\_\_\_\_\_/s/  
Bobby L. Rush  
Member of Congress

\_\_\_\_\_/s/  
TJ Cox  
Member of Congress

\_\_\_\_\_/s/  
Joseph D. Morelle  
Member of Congress

\_\_\_\_\_/s/  
David N. Cicilline  
Member of Congress

\_\_\_\_\_/s/  
Henry C. "Hank" Johnson, Jr.  
Member of Congress

\_\_\_\_\_/s/  
Val Demings  
Member of Congress

\_\_\_\_\_/s/  
Jim Himes  
Member of Congress

\_\_\_\_\_/s/  
Kathleen M. Rice  
Member of Congress

\_\_\_\_\_/s/  
Yvette D. Clarke  
Member of Congress

\_\_\_\_\_/s/  
Mary Gay Scanlon  
Member of Congress

\_\_\_\_\_/s/  
Madeleine Dean  
Member of Congress

\_\_\_\_\_/s/  
Jan Schakowsky  
Member of Congress

\_\_\_\_\_/s/  
Gilbert R. Cisneros, Jr.  
Member of Congress

\_\_\_\_\_/s/  
Harley Rouda  
Member of Congress