



Small Business Advocates' Statement on The Need for Clear, Consistent PPP Guidance

"The Department of the Treasury and SBA launched the Paycheck Protection Program PPP to help small businesses stay open and keep their workers employed.

This relief is needed now more than ever. However, changing SBA guidance is causing many small businesses to rethink their participation in the Program. Small businesses need consistency and certainty and applicants need to know that they will be held to the same guidance that was in place at the time the business applied for a loan.

Some deserving businesses are returning funds or choosing to forego applying due to the uncertainty created by the SBA. As the Wall Street Journal reports, demand for PPP loans has all but dried up in the last week.

This collapse of trust in what ultimately has been a successful program is troublesome and will negatively impact our country's economic recovery.

The last thing we need is for deserving businesses to lay off employees and close their doors because ever-changing rules and the threat of civil penalties scared them away from the PPP. To fix this, the SBA needs to immediately revise its recent guidance to better mirror the PPP's intent and to issue additional guidance making clear the terms for PPP loan forgiveness.

Meanwhile, policymakers need to remain focused on the PPP's original purpose -- to ensure businesses have the financial resources necessary to keep employees paid while government-mandated stay-at-home orders remain in place.

Our nation's economy will recover, but it will take time and it will take the hard work of small businesses that are critical to our communities."

Participating Organizations:

American Institute of CPAs
National Federation of Independent Business
S Corporation America
Associated Builders and Contractors

National Electrical Contractors Association
National Association of Wholesaler-Distributors
American Council of Engineering Companies