April 19, 2020

The Honorable Mitch McConnell  
Majority Leader  
United States Senate  
Washington, DC 20510

The Honorable Chuck Schumer  
Minority Leader  
United States Senate  
Washington, DC 20510

The Honorable Nancy Pelosi  
Speaker  
House of Representatives  
Washington, DC 20515

The Honorable Kevin McCarthy  
Republican Leader  
House of Representatives  
Washington, DC 20515

Dear Majority Leader McConnell, Speaker Pelosi, Leader Schumer, Leader McCarthy,

On behalf of America’s credit unions, I am writing regarding additional funds for the Paycheck Protection Program (PPP). CUNA represents America’s credit unions and their 115 million members.

The COVID-19 pandemic is a public health crisis that has disrupted our economy and threatens the viability of America’s small businesses. Congress responded to this challenge last month by creating the PPP, which is designed to keep employees connected to their small business employer during COVID-19 related business disruptions. The demand for these funds was so substantial that funds were exhausted within two weeks of implementation, leaving many small businesses across the country in the queue for loan approvals.

Given the significant need that remains, it is critical that Congress and the administration continue to support America’s small businesses and their employees through additional PPP funding.

The opportunity that Congress has to appropriate additional funds for the program is also an opportunity to improve some of the challenges and impediments the initial offering presented to lenders and borrowers alike. Small lenders, including America’s credit unions, have been a crucial access point for businesses seeking PPP funds because they have existing relationships with many of these businesses and they have been historically focused on serving Main Street, not Wall Street. However, the small scale of these lenders put them at a disadvantage relative to larger national lenders when the PPP began. They had more difficulty accessing the Small Business Administration’s (SBA) lending system; many began the process with less familiarity with SBA systems; and, they had fewer business lenders processing applications than the large lenders. All of this, and other challenges, slowed small lenders’ lending pipeline, and, when funds were exhausted, left many small businesses waiting for approvals.

We support additional funding for the PPP to ensure that no small business in need goes without assistance. We encourage Congress to appropriate the largest amount possible, and urge Congress to set aside a substantial portion of those funds for small lenders to ensure that small businesses are able to access funds from Main Street lenders, provided that such a set aside for small lenders does not delay the delivery of funds to small businesses, or complicate the approval process for lenders. Further, if Congress sets aside funds to be loaned by small lenders, the set aside should represent a floor, not a ceiling, for small lender access to the program.
Last month, Congress invested in our economy by enacting the PPP to protect the livelihood of nearly half the American workforce. We encourage you to work swiftly to support small business employees by providing additional funds for the PPP so they can continue to support their families through this unprecedented crisis.

On behalf of America’s credit unions and their 115 million members, thank you for your leadership of this important legislation.

Sincerely,

Jim Nussle
President & CEO