



May 4, 2020

The Honorable Steven T. Mnuchin  
Secretary  
U.S. Department of the Treasury  
1500 Pennsylvania Avenue, NW  
Washington, D.C. 20220

The Honorable Jovita Carranza  
Administrator  
U.S. Small Business Administration  
409 3<sup>rd</sup> Street, SW  
Washington, D.C. 20416

Dear Secretary Mnuchin and Administrator Carranza:

First and foremost, thank you for your countless hours of work on behalf of the nation's small business owners. We are incredibly grateful for your steadfast support.

On behalf of the thousands of women business owners across America, the National Association of Women Business Owners (NAWBO) requests more guidance on the forgiveness section of the Paycheck Protection Program. For those of us that applied for the Paycheck Protection Program and received the funding, we are finding there are still some lingering questions concerning forgiveness for the loan.

Here you will find the following areas of concern:

- **Application for Forgiveness:**  
What is the specific mechanism to apply for forgiveness? Is there a form that initiates the process and lists all the supplementary documentation? For a 1099 or Schedule C with no employees, how can these businesses or individuals document their forgiveness (2 months of 2019 Schedule C, line 31, plus actual 8 week expenses for leases, utilities, interest)? Please advise on forms to complete the process and share examples.
- **Clarification for the Eight-Week Covered Period:**  
Businesses require more explanation for the covered period. It is our understanding that the 'meter' begins on the day of funding. Does this mean the first pay date following funding or the first new pay period following funding? Does it end with the last date worked at eight weeks after the financing of the loan, or is it the last week ending or last pay date within the eight weeks? Or the conclusion based upon the start date? These nuances could mean a significant difference for some businesses.

Additionally, some of the forgiveness requirements cause a dollar reduction, while others produce a percentage reduction. The order in which these are applied can have a significant impact on the forgiveness amount.

Businesses request flexibility with the June 30, 2020, deadline for reinstatement of full-time equivalents and, instead, use eight weeks from the funding date.

- **Twenty-five Percent Requirement:**

Ideally, Treasury and SBA would allow for 100% loan-forgiveness for non-payroll forgivable expenses. Regardless, more explanation is necessary to understand the twenty-five percent requirement. For example, a business receives a loan for \$100,000, \$75,000 for payroll and \$25,000 for leases/utilities/interest. At the end of the loan, the business only qualifies for \$50,000 in payroll forgiveness. Does this mean the business may only use \$12,500 on rent/utilities/interest, or can the company justify up to the original \$25,000 allocation for such expenses?

We thank you for your support of the nation's women business owners, and we appreciate your attention in this matter.

Sincerely,

A handwritten signature in black ink, appearing to read "JEANETTE ARMBRUST". The signature is written in a cursive, flowing style.

Jeanette Armbrust  
NAWBO National Board Chair