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April 2, 2020

Jovita Carranza
Administrator
U.S. Small Business Administration
409 3rd St., SW
Washington, D.C. 20416

Dear Administrator Carranza:

It has come to my attention that some local and regional Small Business Administration (SBA) offices are providing conflicting or erroneous information regarding the eligibility of churches and religious non-profit organizations to participate in the Paycheck Protection Program. SBA offices are communicating to churches that they are not eligible for the program before the application process. I am alarmed by these erroneous instructions, which directly contradict the text of the statute. You must rectify this issue immediately.

Section 1102 of the CARES Act is unambiguous on this matter. Unaffiliated non-profit entities with under 500 employees that are structured as 501(c)(3) organizations are eligible for assistance. This includes churches and other religious non-profits. As I noted in my previous letter dated April 1, 2020, organizations with a principal religious purpose are not excluded from assistance under the Paycheck Protection Program.

You must move immediately to correct this misinformation and clarify to your local and regional offices that they must not arbitrarily disqualify churches and other religious non-profits from eligibility under the Paycheck Protection Program. These reports further underscore the importance of swiftly implementing official guidance and program rules for this program as to avoid any further confusion. I await your reply.

Sincerely,



Josh Hawley
United States Senator