

Congress of the United States

Washington, DC 20515

July 23, 2020

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

The Honorable Jovita Carranza
Administrator
Small Business Administration
409 3rd Street, SW
Washington, DC 20416

Dear Secretary Mnuchin and Administrator Carranza:

Thank you for your efforts to implement the Paycheck Protection Program (PPP), which has been an important lifeline for many employers in Maine. We do have an important concern, however, for critical access hospitals in rural Maine and across the country. These hospitals are important not only for health care, but also as major employers in rural areas. As we have raised with each of you previously in a hearing and in letters, some of these critical access hospitals have been excluded from PPP eligibility due to their Chapter 11 restructurings. We understand why a conventional loan program might exclude these applicants in normal circumstances, but this is a forgivable loan program and we are in the midst of both a pandemic and a recession. Rural hospitals are too important to be left out of the PPP, which might be their only option for keeping their doors open.

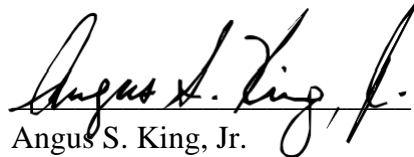
The Department of the Treasury (Treasury) and the Small Business Administration (SBA) appear to be capable of correcting this error right now. Your two agencies have made targeted regulatory fixes within the PPP for at least eleven types of entities to date, such as faith-based organizations, people with criminal histories, electric cooperatives, telephone cooperatives, nonprofit hospitals tax exempt under section 115, hospitals owned by a state or local government, gaming enterprises, employee stock ownership plan businesses, partnerships, seasonal businesses, and fishing boat owners. Therefore, a targeted change to PPP regulations to assist these hospitals should be possible.

Given that these rural critical access hospitals are so important, both as frontline health care providers during this pandemic and as institutions that anchor their local economies, that the PPP has more than \$100 billion dollars left to disburse between now and its expiration on August 8th, and that Treasury and SBA have repeatedly fixed similar problems for other applicants, we ask that you revise PPP regulations to allow these rural hospitals to apply for help—regardless of their Chapter 11 or federal debtor status—to keep them serving their communities during the ongoing pandemic. Thank you for considering our request. Please contact us with any questions you have about this issue.

Sincerely,



Jared F. Golden
Member of Congress



Angus S. King, Jr.
United States Senator



Susan M. Collins
United States Senator