

U.S. Sen Baldwin: Directs Trump administration to take action to fix paycheck protection program and help rescue Wisconsin small businesses

Posted on Thursday, Apr 9, 2020

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WASHINGTON, D.C. – U.S. Senator Tammy Baldwin is demanding the Trump administration take immediate action to fix the Paycheck Protection Program (PPP), created in the bipartisan CARES Act, to ensure banks can swiftly provide loans that will help rescue Wisconsin small businesses and non-profits.

In her letter to Treasury Secretary Steven Mnuchin and Small Business Administrator Jovita Carranza, Baldwin urged the administration to swiftly work with lenders to provide clear guidance on PPP, change the PPP's rules to allow small businesses to spend a greater amount of their loan on fixed costs, and provide additional technical capability and support so banks and small businesses can access SBA resources.

Baldwin writes, *"Wisconsin small businesses and non-profits need help meeting their payroll and covering other operating expenses and PPP is uniquely suited to achieve those goals by allowing banks to leverage their expertise and offer SBA-guaranteed loans to their customers. However, I've heard from lenders in Wisconsin that are frustrated and confused with the rollout of this program and unable to make loans. I have also heard from small businesses that can't access loans. I ask you to immediately take action to ensure banks can swiftly provide these loans and help rescue Wisconsin small businesses and non-profits."*

Senator Baldwin has heard from Wisconsin businesses who can't access loans because they didn't have an existing relationship with an SBA-approved bank, including Norske Nook, an iconic pie shop with locations in Osseo, Rice Lake, Hayward and DeForest. Currently, Norske Nook can't get a loan because their local bank is not an SBA-preferred lender. Baldwin urges the SBA to make immediate changes to allow companies like Norske Nook to receive this critical aid provided by Congress.

She continues, *"Additionally, last week, the U.S. Treasury issued guidance that in order for loans to be forgiven by the Paycheck Protection Program, 75 percent of the loan must cover payroll costs. I'm concerned that this rule, which was not in the text of the CARES Act, prevents small businesses with high overhead costs from accessing the program and keeping their workers employed."*

Baldwin concludes, *"I urge you to change the PPP's rules to allow small businesses to spend a greater amount of their loan on fixed costs. Without this change, I fear that we will see a wave of small business closures and bankruptcies."*

The full letter is available [here](#).