Congress of the United States

Washington, DC 20510

March 16, 2020

Ms. Jovita Carranza Administrator U.S. Small Business Administration 409 Third Street, S.W. Washington, D.C. 20416

Dear Administrator Carranza:

As members of the Maine Congressional Delegation, we are writing in support of Maine Governor Janet Mills' application to the Small Business Administration (SBA) Economic Injury Disaster Loans (EIDL) program for vital assistance to each of Maine's sixteen counties to address the impact of the coronavirus.

The state's application is important for the continued economic vitality of Maine's small businesses. According to the SBA's Office of Advocacy, 99.2 percent of Maine's businesses are small businesses. Coronavirus brings them and all of us new and unprecedented challenges. Based on the best available science, the Centers for Disease Control and Prevention (CDC) has made nationwide recommendations to limit large events and mass gatherings, while practicing social distancing. Working together, we can follow these best practices to protect all of us from the coronavirus. However, these needed recommendations come with a significant economic cost.

Maine is a state that has always been proud to welcome visitors. In 2018, the state hosted over 37 million tourists who, according to Hospitality Maine, contributed an estimated \$6.9 billion to the state's hotels, motels, restaurants and bars. These businesses account for about one of ten jobs in Maine. The coronavirus is already having an impact on these businesses and as people follow the CDC recommendations, it will only get worse. The state's tourism industry has already seen a stark rise in cancellations and expects to see many more.

The global spread of the coronavirus has affected markets worldwide. Maine's lobstermen are reporting greatly reduced demand and market prices are significantly lower than they were a year ago, straining the ability of these businesses to stay afloat. Large scale orders of lobsters for festivities, casinos, cruise ships and more will not be happening as a consequence of the coronavirus.

In addition to these industries, it is hard to imagine that any corner of our economy will not face challenges because of the coronavirus. As you know, according to 13 C.F.R. §123.3(5), SBA authorizes EIDLs when SBA "makes an economic injury declaration in reliance on a state certification that at least five small business concerns in a disaster area have suffered substantial economic injury as a result of the disaster and are in need of financial assistance not otherwise available on reasonable terms." In the state's application, the Governor certified "that at least fourteen small businesses in the disaster area have suffered substantial economic injury as a

result of the disaster and are in need of financial assistance not otherwise available on reasonable terms." To these businesses and others, the SBA's EIDL program would provide a needed lifeline to help bridge the coronavirus crisis by providing loans designed to help small businesses stay afloat.

Working together, we can prevail against the threats to both health and the economy posed by the coronavirus. To do so, we believe federal assistance from the SBA is necessary to help Mainers. We note that all sixteen counties of Maine are impacted by the coronavirus and our state's small businesses are a vital and celebrated part of our economy. We fully support Governor Mills' request for a federal disaster declaration, and urge your office to provide quick, full, and fair consideration to this request in accordance with all rules and regulations.

Sincerely,

Susan M. Collins

United States Senator

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Angus S. King, Jr. United States Senator

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Chellie Pingree

Member of Congress

Jared F. Golden

Member of Congress