

February 19, 2021

Chairwoman Nydia Velázquez  
House Committee on Small Business  
2361 Rayburn House Office Building  
Washington, D.C. 20515

Ranking Member Blaine Luetkemeyer  
House Committee on Small Business  
2069 Rayburn House Office Building  
Washington, D.C. 20515

Chairman Ben Cardin  
Senate Committee on Small Business and  
Entrepreneurship  
428A Russell Senate Office Building  
Washington, D.C. 20515

Ranking Member Rand Paul  
Senate Committee on Small Business and  
Entrepreneurship  
428A Russell Senate Office Building  
Washington, D.C. 20515

Dear Chairwoman Velázquez, Ranking Member Luetkemeyer, Chairman Cardin, and Ranking Member Paul:

The American Dental Association (ADA) and its 162,000 members would like to thank Congress for its continued efforts to combat the challenging effects of the COVID-19 pandemic. We urge Congress to consider some additional changes to the Paycheck Protection Program (PPP) in the next COVID relief package to ensure that small businesses, including dental practices, are able to easily access and utilize this critical loan program. A majority of dental practices are small businesses, and PPP has been key to ensuring those dental practices continue to retain and pay their employees, as well as provide essential oral health care services to their patients. However, PPP could be improved if Congress enacted some changes, especially regarding second draw PPP loans.

These changes include:

- Providing start-up small businesses (those that opened after February 15, 2020) with access to PPP and other federal small business loans/grants;
- Allowing businesses to choose any 3-month period to illustrate a 25% reduction in revenue for second draw PPP loans; and
- Ensuring that lenders are not requiring overly burdensome documentation to apply for a second draw PPP loan.

Many small businesses, including dental practices, opened their doors in 2020 and were immediately forced to close or downsize and lay off employees due to the pandemic, and yet they cannot access PPP or other loan programs. These “start-up” businesses and their employees need access to federal aid as well.

Also for many dental practices, the peak time of lost revenue did not occur in a fixed “calendar” quarter, but instead occurred for the months of March, April, and May. Although still a 3-month period, it is not a calendar quarter and therefore businesses cannot use that time frame to reflect a 25% decline in revenue, making them ineligible to apply for a second

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draw PPP loan. Congress should create flexibility to ensure that any 3-month period reflecting a 25% decline in revenue, even outside of a traditional calendar quarter, would allow eligibility for a second draw PPP loan.

Another concern we are hearing from many members is that some lenders seem to be requiring additional information during the application process for second draw PPP loans beyond what was mandated in the Consolidated Appropriations Act of 2021. Congress, in conjunction with the Small Business Administration, should ensure that PPP participating lenders are not requiring overly burdensome documentation for PPP second draw borrowers. Requiring information beyond the scope of what was enacted merely deters borrowers from seeking PPP funds that are critical to keeping their businesses open and their employees paid.

Thank you for your important work on these issues. If you have any questions, please have your staff contact Megan Mortimer at [mortimerm@ada.org](mailto:mortimerm@ada.org) or 202-898-2402. Additional information is also available at [ADA.org/covid19advocacy](https://ADA.org/covid19advocacy).

Sincerely,

Daniel J. Klemmedson, D.D.S., M.D.  
President

Kathleen T. O'Loughlin, D.M.D., M.P.H.  
Executive Director

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