

United States Senate

WASHINGTON, DC 20510-0609

April 15, 2021

The Honorable Isabel Guzman
Administrator
U.S. Small Business Administration
409 3rd Street SW
Washington, D.C. 20416

Dear Administrator Guzman:

We write to address recent issues with the launch of the Shuttered Venue Operators Grant (SVOG) program and to share the recommendations of our affected constituents. As live event operators, many of these constituents have significant experience handling high-volume online transactions, such as ticket sales for large events, which closely relate to the technical challenges the Small Business Administration (SBA) faces. We agree with the SBA's sentiment that because the pandemic has affected so many live venues, relief should be delivered as quickly as possible in a fair and equitable manner.¹ In that spirit, we ask that you consider their feedback as the SBA works to remedy the technical issues and open the SVOG program a second time.

- **Communicate clearly and maintain transparency.** SBA should provide clarity for eligible businesses to the greatest extent possible. The agency should provide timely, consistent, and clear communications about challenges as they arise, as well as about its anticipated timelines for relaunching SVOG and approving applications.
- **Accept and process applications in tiers, starting with the hardest-hit businesses.** SBA should sort applicants into tiers based on the extent of their revenue loss and implement separate priority periods for applicants in each tier, starting with the hardest-hit businesses. For example, SBA could accept applications for a 14-day period exclusively from applicants with revenue loss of 90 percent or greater, followed by 14 days for applicants with 70 percent or greater revenue loss, followed by 14 days for applicants with 50 percent revenue loss or greater. SBA should make clear that if a hard-hit business is unable to apply during the priority period during which it first becomes eligible, that business may submit an application during any subsequent priority period. Such a system will not only ensure the hardest-hit businesses are first in line for relief—and will see their application processed most rapidly—but it will also prevent all applicants from applying at the same time, overloading technology systems.
- **Establish clear future deadlines in advance.** With many businesses in dire financial situations—and facing the risk that missing the exact moment of SVOG's reopening may prevent them from accessing a lifeline—operators are understandably expending energy

¹ <https://twitter.com/SBAgov/status/1380554892989890562>

and resources to remain prepared to apply at all times. Clearly communicating at the earliest possible moment when SBA expects to begin accepting applications (for each priority tier, if appropriate) would relieve anxiety and frustration among operators and enable them to devote their resources elsewhere while they wait.

- **Relaunch the application platform as a soon as possible, but take the time required to ensure readiness.** While businesses urgently need relief, a second failed launch would be devastating to operators, creating deeper uncertainty and undermining trust. Another unsuccessful launch would risk delaying access to relief longer than would taking the time to complete appropriate troubleshooting up front.

As you know, many shuttered venues and other businesses eligible for SVOG have now gone more than a year with dramatically reduced revenue, while receiving little or no assistance through other pandemic relief efforts. What's more, these businesses have now waited nearly five months for SVOG to launch—often with great uncertainty—since Congress created the program in December 2020. If we fail to provide adequate support for shuttered venues hit hardest by the pandemic, we risk temporary job losses turning permanent, higher long-term unemployment rates, and the permanent loss of many small businesses and cultural treasures that are fixtures of our economy and local communities.

We appreciate your efforts to set up this critical program. Thank you for your consideration of these requests to support our hardest-hit businesses. We would be grateful for a response to this letter by April 23.

Sincerely,



Michael F. Bennet
United States Senator



John Hickenlooper
United States Senator