

November 25, 2020

Susan Minson
OMB Desk Officer
Office of Information and Regulatory Affairs
Office of Management and Budget
725 17th Street, NW
Washington, DC 20503

Dear Ms. Minson:

Pursuant to the Office of Management and Budget (OMB) procedures established at 5 CFR 1320, the Small Business Administration (SBA) requests that the collection of information associated with payments to 7(a) Lenders under Section 1112 of the Coronavirus Aid, Relief, and Economic Security (CARES) Act be processed in accordance with section 1320.13, Emergency Processing, by December 2, 2020.

To assist in addressing the drastic decrease in economic activity created by the COVID-19 pandemic, Section 1112 requires SBA to pay the principal, interest and associated fees that are owed for a 6-month period on certain loans issued under SBA's 7(a), 504, and Microloan Programs. In order for SBA to make these loan payments in SBA's 7(a) Loan Program in an accurate and timely manner, SBA created a form that 7(a) Lenders are required to submit to SBA on a monthly basis to provide the loan information necessary for the Agency to make the Section 1112 payments on behalf of borrowers. It has come to light that this Lender reporting requirement has not been submitted to OMB for review and approval. The need for this information will continue until at least the spring of 2021 and longer if the benefit is extended by pending legislation.

Given the ongoing need to make the payments, SBA is asking for emergency review of the "Section 1112 Gross Loan Payment Template" to enable SBA to continue to collect the information without further violation. SBA has determined that this information must be collected prior to the expiration of time periods established under Part 1320, and that this information is essential to SBA's ability to provide the debt relief required by that section to certain SBA borrowers. Delaying the payments while the Agency pursues standard processing procedures would cause harm to the 7(a) Lenders who are depending on the payments, as well as to the borrowers who could either default on payments or be forced to use limited resources to make such payments. SBA also requests a waiver from the requirement to publish the public comment notice in the Federal Register before seeking review.

Sincerely,

Jihoon Kim
Director
SBA Office of Financial Program Operations