

April 20, 2020

United States Senate Committee on Small Business and Entrepreneurship
428A Russell Senate Office Building
Washington, DC 20510

Dear Chairman Rubio,

As your office diligently works to finalize a compromise package that will provide additional support to Main Street America, we urge that this legislation correct the U.S. Small Business Administration policies restricting or disqualifying people with criminal records from accessing emergency loans under the Coronavirus Aid, Relief, and Economic Security Act (the CARES Act).

Each year, more than 600,000 state and federal prisoners [are released](#) and face [significant barriers](#) to successful reentry—including [occupational licensing](#) and meaningful employment. Small businesses provide a vital opportunity for those with a criminal record to contribute to society, to earn an honest profit, and to give back to others. In many instances, these businesses hire adults or youth who are working to overcome addiction and criminal behaviors. As a result, they offer unique capacity to transform entire neighborhoods and exemplify the power of redemption.

Currently, the Paycheck Protection Program (PPP) [denies applicants](#) if “*an owner of 20 percent or more of the equity of the applicant [who] is incarcerated, on probation, on parole; presently subject to an indictment, criminal information, arraignment, or other means by which formal criminal charges are brought in any jurisdiction; or has been convicted of a felony within the last five years.*” As such, small business owners who have a criminal record are excluded from relief, including those who have recently been on any community supervision for a low-level offense.

An estimated [one in three Americans has a criminal record](#). Because so many employment barriers exist for people with a criminal record, many start their own business to support themselves and their families. The exclusions listed in the aforementioned rule are far too broad and endanger the economic welfare of people with a criminal record—and the Americans they employ.

But we can do better. Just as God forgives our sins and offers us a second chance, the Bible shows us that we can offer a second chance to those who have paid their debt to society.

Replacing the current PPP exclusions with narrowly tailored guidelines that exclude only those with recent fraud convictions would judiciously use federal dollars without prohibiting access to funds by valuable small businesses. Like other small business owners, entrepreneurs with a criminal record face an unprecedented economic crisis and ought not be excluded from access to funds that may serve as the lifeline they need to keep their businesses afloat and their staff employed.

The CARES Act was designed to ensure that our workforce could overcome the devastating impact of this indiscriminate pandemic, supplying much-needed assistance to employers and business owners who make up the backbone of our economy. The Small Business Administration’s policies regarding people with criminal records go against the intent of the legislation and unnecessarily penalize not only business owners, but all the Americans they employ. Further, broadly excluding people with a criminal record is at odds with the Trump administration’s ongoing [support of](#)

[second chances](#) for people who have paid for their poor choices and overcome enormous obstacles to start their own businesses and become productive members of society. At a time of historic economic contraction, it would be counterproductive to exclude those with criminal records who have started businesses—and even individuals who have never been duly convicted of a crime—from contributing to our shared recovery efforts.

We respectfully request that you use your position as Chairman of the Small Business Committee to ensure that entrepreneurs with a criminal record, and their employees, are not excluded from this critical SBA emergency relief. All persons bear the image of God and deserve the dignity of a second chance.

Sincerely,

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