

Mr. Gene Sperling  
The White House  
1600 Pennsylvania Avenue NW  
Washington, DC 20050

May 26, 2021

Dear Mr. Sperling:

Thank you for your leadership in addressing our country's ongoing COVID-19 challenges. We deeply appreciate the White House's engagement in advancing the Shuttered Venue Operators Grant program. As stakeholders in SVOG, we are requesting your assistance in accelerating the desperately needed relief that was signed into law nearly six months ago and in providing more transparency regarding the program's implementation.

Just this week, we participated in a stakeholders' call with the SBA. To date, we believe that more than 13,000 applications have been submitted yet not a single organization has received the emergency funding that was designed to keep our venues, cinemas, and arts groups – businesses and enterprises that have been completely shuttered for more than 15 months – from permanently closing.

We note that SBA Administrator Guzman testified before both the House and Senate Small Business Committees today that SVOG "payments went out this week." We are unaware of any of our members having received funds as of the writing of this letter. However, we look forward to our members hearing directly about awards from the SBA. The emergency relief can't come soon enough, and we'll be incredibly grateful when it starts flowing.

Despite a promise by the SBA more than two weeks ago to provide information regarding the total number of applications submitted, overall demand for funding, and timing of fund disbursement, in our call on Monday, the SBA indicated that they "had to decide what to share and when." We seek greater transparency and more frequent updates regarding the progress of the grant process and stand ready to partner with the SBA to share up-to-date information about the grant administration process with applicants. Our frustration was reflected in Senator Cantwell's (WA) question during the Senate Small Business Committee hearing, "How can we improve the communication with the venue application process?"

While some applicants have received notification that their application is now "under review," the program continues to suffer technical glitches, lack of transparency, and misinformation. For example, just this weekend over 400 applicants were sent erroneous emails. Entities that had submitted applications were being asked to apply. And, on May 11, long after the vast majority of applications were submitted, the SBA issued updated FAQs indicating that the special form 4506-T they had provided was incorrect, causing a great deal of confusion about further action needed for applications already submitted. In this week's call, the SBA indicated that they will be trying to resolve these issues "directly with Treasury and the IRS," further confusing applicants.

Equally important, we ask for your assistance in urging the SBA to provide a timeline for the SVOG supplemental grant process as required by the Economic Aid Act. The legislation anticipated these grants, and clear and precise information on the supplemental grant application process, as well as the distribution timeline is critical to our recovery as our venues and businesses remain shuttered.

With respect to the processing of supplemental grants, we echo the question of Representative Judy Chu (CA-27), “Because of the program delays, the SBA already has the necessary program data from the applicants to calculate both the initial loans and the supplemental loans right now, so given the delayed implementation of this program, can you discuss if the SBA can help these businesses by automatically calculating and processing the supplemental awards to expedite dispersal of these funds?” We ask for transparency on the amount of potentially eligible supplemental grants, including these totals in future reports on total funds requested, and ask for expedited processing of these grants.

In closing, event-based small businesses are being put unnecessarily at risk while \$16.25 billion in relief is waiting to be tapped. As reopening guidance rapidly changes, our businesses and organizations are without the critical funding needed to recapitalize and re-engage with their communities. As states reopen, we are unable to participate in the economic revival or generate the significant economic impact we typically provide in our communities as we have no capital to rehire staff, to provide advance deposits to talent, to book venues, or to resume business operations until grant funds are released. The delay in releasing emergency funding is putting many small businesses at a significant competitive disadvantage which has already affected 2021 and will continue beyond.

We appreciate your continued support and efforts to bring this vital relief to our sector.

Sincerely,  
SVOG stakeholders

CC: Administrator Isabella Guzman, SBA  
Barb Carson, SBA  
Kevin Harber, SBA  
Bharat Ramamurti, White House  
Zack Butterworth, White House