

Congress of the United States

Washington, DC 20510

August 10, 2020

The Honorable Steven T. Mnuchin
Secretary
U.S. Department of the Treasury
1500 Pennsylvania Avenue NW
Washington, D.C. 20220

The Honorable Jerome H. Powell
Chairman
Board of Governors of the Federal Reserve
20th Street and Constitution Avenue NW
Washington, D.C. 20551

Dear Secretary Mnuchin and Chairman Powell:

House and Senate Democrats continue to block legislation that is critical to support our nation's ongoing COVID-19 response and economic recovery, leaving millions of businesses and their employees in jeopardy. We urge you to continue your efforts to support these businesses and their employees by utilizing the remaining funds appropriated by Congress to the Exchange Stabilization Fund (ESF) to its fullest extent.

The CARES Act provides a critical economic backstop with the potential to unleash trillions more in liquidity. That liquidity will allow our financial institutions to continue to provide credit flows to businesses and ultimately support workers across the country. Specifically, the ESF supports the Main Street Lending Program (MSLP) to help small and mid-sized businesses and their employees that were otherwise in good financial standing before the public health crisis. The purpose of the ESF is to provide the Treasury Department and the Federal Reserve maximum discretion to expand MSLP and support more businesses.

The Treasury Department and the Federal Reserve should do more with the ESF and the MSLP to provide support to Main Street businesses, their workers, and our American economy. Congress was clear in its intent; now it's time to implement it. The support that an enhanced MSLP will provide to the overall economy, our Main Street businesses, and their workers will outweigh the potential losses to the Treasury.

Sincerely,

A handwritten signature in blue ink that reads "Patrick McHenry". The signature is fluid and cursive, with the first name being the most prominent.

Patrick McHenry
Ranking Member
House Committee on Financial Services

A handwritten signature in blue ink that reads "Mike Crapo". The signature is fluid and cursive, with the first name being the most prominent.

Mike Crapo
Chairman
Senate Committee on Banking, Housing,
and Urban Affairs