

Congress of the United States  
House of Representatives  
Washington, DC 20515-4610

May 27, 2020

The Honorable Jovita Carranza  
Administrator  
U.S. Small Business Administration  
409 3<sup>rd</sup> Street SW  
Washington, DC 20416

Dear Administrator Carranza,

I write to you today concerning the Paycheck Protection Program (PPP). While this program has provided a vital lifeline to many small businesses across the country, some small businesses, especially those owned by minorities, have been left behind. Very few minority-owned businesses that applied for a PPP loan have received the full loan amount requested, and other small businesses that bank with certain large banks have been frustrated by the perception that larger businesses are receiving preferential treatment. As the Small Business Administration (SBA) continues its important work to support our nation's small businesses, increased oversight will be necessary to ensure that all small businesses have equal access to the PPP. Additional transparency will also be key as small businesses begin to apply for and receive loan forgiveness at the end of their covered loan periods to ensure that this essential part of the PPP is working as intended.

Furthermore, Section 1102 of the Coronavirus Aid, Relief, and Economic Security (CARES) Act that was signed into law on March 27, 2020 requires the Small Business Administration to register all PPP loans using the Taxpayer Identification Number (TIN) of the borrower within 15 days of the date the loan is made. However, the May 8, 2020 Flash Report issued by the Small Business Administration Office of Inspector General finds "no evidence that SBA registered the loans as required by the Act," even though the SBA is collecting the necessary information to do so. This lack of compliance with the law concerns me.

The SBA can and should do more to allow Congress and the public to conduct necessary oversight of this more than \$650 billion program. I request that you provide written answers to the following questions:

1. Does the SBA intend to comply with the CARES Act requirement to register all PPP loans by each borrower's TIN? If so, when? Why has the SBA not done so as of at least May 8, 2020, the date of the SBA OIG's Flash Report?
2. Does the SBA intend to voluntarily make the PPP loan registry available to Congress, the general public, or both? If so, when, and what information will be included in the disclosure (for example, company name, number of employees, lending institution name, date of application, date of loan disbursement)?
3. As small businesses begin to apply for and receive PPP loan forgiveness, will this information be added to the registry or otherwise made public or available to Congress?
4. If the SBA does not intend to make the PPP loan registry available to the public, what is the rationale for not doing so?

5. The SBA OIG Flash Report also found that the SBA did not require the collection of demographic data that would allow it to prioritize loans for businesses in underserved and rural areas as well as rural and minority- or women-owned small businesses as required by the CARES Act. Have any steps been taken to remedy this situation?

Your response to these questions would be greatly appreciated as Congress continues working to ensure that no small businesses are left behind in the response to the COVID-19 pandemic.

Sincerely,

J

Jennifer Wexton  
Member of Congress