

United States Senate

WASHINGTON, DC 20510

December 22, 2020

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

Dear Administrator Carranza,

We write to express concern about the U.S. Small Business Administration's (SBA) reluctance to share crucial Paycheck Protection Program (PPP) and Economic Injury Disaster Loan (EIDL) data with the U.S. Government Accountability Office (GAO) and SBA Office of Inspector General (OIG). In order for GAO and SBA OIG to conduct an accurate and thorough analysis of SBA emergency loan programs, we urge the SBA to comply with all loan data requests and fully cooperate with any future requests so that oversight agencies can effectively investigate potential fraud and ensure accountability of SBA's use of taxpayer funds.

As part of the response to the COVID-19 pandemic, Congress passed the Coronavirus Aid, Relief, and Economic Security (CARES) Act, which created the PPP and expanded the EIDL program, providing much-needed relief for our nation's small businesses. In June 2020, the GAO released a report that found that the SBA's Paycheck Protection Program lacked safeguards and had insufficient guidance and oversight to prevent the misuse or improper receipt of loans. Additionally, on October 28, 2020, the SBA's Inspector General released a report that found billions of dollars of potentially fraudulent EIDL loans and grants.


The American people deserve transparency and accountability from our federal agencies, especially when taxpayer dollars are being utilized to fund relief programs. Every dollar diverted for fraudulent purposes is a dollar that cannot help a small business in need. Despite this, initially the SBA only released partial loan data on PPP borrowers with loans of \$150,000 or more. SBA also did not disclose the full loan data needed to give the public full accounting, and still have not done so. In fact, on a national call between SBA and the SBA OIG, the SBA OIG expressed frustration about not being able to access information from the SBA's Office of Disaster Assistance to investigate fraud. While we are pleased that the SBA complied with a recent court order from the U.S. District Court of the District of Columbia requiring the release of names of borrowers and loan amounts under the PPP and EIDL programs, GAO and SBA OIG likely will need additional and much more granular information to adequately conduct its fraud investigations. This includes all application data from SBA's Office of Disaster Assistance and any other data required for fraud analysis.

As workers and small businesses continue to struggle during the COVID-19 pandemic, and as the SBA works to administer its emergency loan programs recently replenished by Congress to provide much-needed relief, we must protect taxpayer dollars by ensuring that the

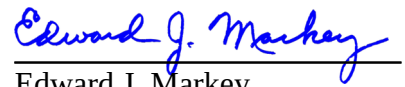
SBA has the tools necessary to combat fraud, waste, and abuse. With that in mind, we urge you to fully cooperate with all past, current, and future GAO and SBA OIG data requests.

Thank you for your attention to this important matter. We look forward to your prompt response.


Sincerely,




Jacky Rosen
United States Senator



Edward J. Markey
United States Senator



Tammy Duckworth
United States Senator



Cory A. Booker
United States Senator