

**Congress of the United States**  
**Washington, DC 20515**

June 17, 2020

The Honorable Jovita Carranza  
Administrator  
U.S. Small Business Administration  
409 3rd Street, S.W.  
Washington, D.C. 20416

Dear Administrator Carranza:

We are writing to request that you immediately comply with requests from the independent and nonpartisan Government Accountability Office (GAO) for interviews, documents, and data related to actions of the Small Business Administration (SBA) in addressing economic disruptions caused by the coronavirus pandemic. We are deeply troubled by SBA's failure to comply with GAO's independent and nonpartisan oversight of the Coronavirus Aid, Relief, and Economic Security (CARES) Act, the largest emergency appropriations package in United States history.<sup>1</sup> SBA's withholding of information is in violation of the law.

Congress established GAO by statute as its nonpartisan investigative arm. GAO's mission is to help improve the performance and ensure the accountability of the federal government for the benefit of the American people. SBA's failure to respond in a thorough and timely manner to GAO's requests for interviews, documents, and data impairs Congress from fulfilling its Constitutional oversight responsibilities.

The CARES Act requires GAO to continually monitor and report on the nation's preparedness for, response to, and recovery from the pandemic, including more than \$2 trillion appropriated by Congress for critical financial assistance to individual citizens, loans for businesses, support for hospitals and other medical providers, and economic relief for impacted businesses and industries.<sup>2</sup>

Over the past two months, GAO has requested interviews, documents, and data from SBA as part of its coronavirus pandemic oversight responsibilities. GAO informed the Committees that SBA has not complied with GAO's requests and repeatedly failed to commit to a timeframe in which SBA would comply. To date, SBA has not granted GAO access to all requested SBA officials for interviews and, according to GAO, SBA officials who have been interviewed have not been fully cooperative in providing timely, fulsome, and transparent responses to interview questions.

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<sup>1</sup> Library of Congress, *United States: President Signs CARES Act in Response to Coronavirus Pandemic* (Mar. 27, 2020) (online at [www.loc.gov/law/foreign-news/article/united-states-president-signs-cares-act-in-response-to-coronavirus-pandemic/](http://www.loc.gov/law/foreign-news/article/united-states-president-signs-cares-act-in-response-to-coronavirus-pandemic/)).


<sup>2</sup> Coronavirus Aid, Relief, and Economic Security Act, Pub. L. No. 116-136.

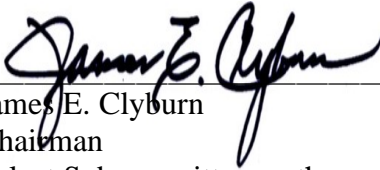
SBA also has not provided GAO with loan level data on the Paycheck Protection Program (PPP). Congress established the PPP with broad bipartisan support to provide a lifeline for small businesses that otherwise might be forced to lay off employees or shut down. Unfortunately, many large companies were able to utilize this program and obtained PPP loans that were intended for small businesses. Refusing to provide basic data to GAO about PPP loans appears to be an attempt to avoid such oversight and accountability.


As recently as 2017, Congress reaffirmed GAO's authority when it passed the GAO Access and Oversight Act of 2017 without a single vote in opposition. The Act authorized the Comptroller General "to obtain such agency records as the Comptroller General requires to discharge the duties of the Comptroller General (including audit, evaluation, and investigative duties), including through the bringing of civil actions under this section."<sup>3</sup> Under the law, each agency is required to "give the Comptroller General information the Comptroller General requires about the duties, powers, activities, organization, and financial transactions of the agency."<sup>4</sup>

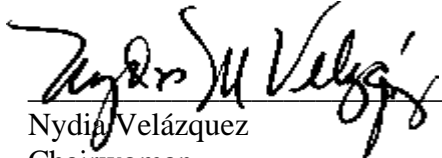
Efforts by Committee Chairs and staff to encourage SBA to fully cooperate with GAO have not yielded the access GAO needs to perform its oversight. For these reasons, we request that you provide all data, documents, interviews, and other information requested to GAO by June 29, 2020, and confirm to the Committees by that same date that you have fully cooperated with GAO's requests. It is critical that SBA comply immediately with all of GAO's requests and continue to do so in a manner that is transparent and accountable.

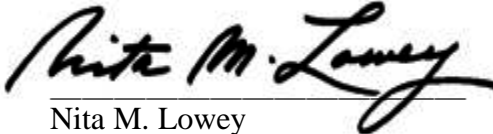
Sincerely,

  
Carolyn B. Maloney  
Chairwoman  
Committee on Oversight and Reform

  
James E. Clyburn  
Chairman  
Select Subcommittee on the  
Coronavirus Crisis

  
Mike Quigley  
Chairman  
Appropriations Subcommittee on  
Financial Services and General Government

  
Nydia Velázquez  
Chairwoman  
Committee on Small Business

  
Nita M. Lowey  
Chairwoman  
Committee on Appropriations

<sup>3</sup> Pub. L. No. 115-3 (2017).

<sup>4</sup> 31 U.S.C. § 716(a)(2).

The Honorable Jovita Carranza

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cc: The Honorable Jim Jordan, Ranking Member  
Committee on Oversight and Reform

The Honorable Steve Chabot, Ranking Member  
Committee on Small Business

The Honorable Steve Scalise, Ranking Member  
Select Committee on the Coronavirus Crisis

The Honorable Kay Granger, Ranking Member  
Committee on Appropriations

The Honorable Tom Graves, Ranking Member  
Appropriations Subcommittee on Financial Services and General Government