

United States Senate

March 24, 2021

Isabella Casillas Guzman
Administrator
U.S. Small Business Administration
Office of the Administrator
409 3rd St., SW
Washington, D.C. 20416

Dear Administrator Guzman:

Thank you for your efforts to continue the U.S. Small Business Administration's (SBA) coronavirus relief programs to help struggling small businesses around our country.

The Paycheck Protection Program (PPP) has helped so many businesses in Florida and across the nation stay afloat during this unimaginable time. Last year, I called^[1] for reforms to the program to make sure taxpayer money goes to those who truly need it. I sounded the alarm about businesses with thousands of employees finding loopholes to qualify for these loans meant for small businesses. I was also concerned about companies that were seeing no downturn in their business taking money meant for those suffering during the pandemic. Now, we have clearly seen the abuse. Businesses and organizations that didn't need taxpayer money took it simply because they could. Despite Planned Parenthood affiliates being ineligible to receive PPP loans, at least 37 Planned Parenthood affiliates illegally obtained more than \$80 million in taxpayer funds during the initial rounds of PPP by self-certifying their eligibility for the program. I appreciate the SBA's efforts to date to claw back that funding and work with the Inspector General to correct this fraudulent activity.

In July 2020, the Treasury Department and SBA released the names of companies that received loans of \$150,000 or more through the PPP. The data shows loans^[2] went to a range of businesses and organizations, including lobbying firms, law firms and high-dollar hedge funds, political groups, including the Florida Democratic Party, private schools, news organizations and big restaurant chains, as well as a chain of luxury restaurants and boutique hotels co-owned by Robert De Niro.

^[1] <https://www.rickscott.senate.gov/sen-rick-scott-statement-reforms-needed-make-paycheck-protection-program-work>

^[2] <https://sba.app.box.com/s/tvb0v5i57oa8gc6b5dcm9cyw7y2ms6pp>

As you continue to administer PPP loans and Economic Injury Disaster Loans (EIDL), as well as work to develop new grant programs within the SBA for live venues, restaurants, and other businesses, I write to you today to ask the following questions:

1. How will you ensure that PPP loans only go to businesses that show a substantial reduction in revenue due to the coronavirus, per the coronavirus relief package passed by Congress in December 2020?
2. Will you continue to work with the Treasury Department to ensure that the full list of PPP loan recipients is regularly updated and released to the public, so the American people can see exactly where taxpayer money is going?
3. Will you commit to the same transparency standards for the newly established grant programs for live venues and restaurants, created by the *American Rescue Plan Act*? Please provide a detailed timeline of administering these loans and releasing details publicly.
4. As Administrator, will you commit to retaining the SBA's determination of Planned Parenthood's affiliated status and ensure that all fraudulently obtained funds are returned to the federal government?
5. As Administrator, how will you work with the SBA Office of Inspector General and others in the Inspector General community to drastically cut down on the identified fraud, waste, and abuse we have seen in SBA programs to date?

Too many in Washington believe that government waste is inevitable - it's just the cost of doing business. I don't accept that. This is taxpayer money, and we can't afford to waste it. We can't allow a government bailout of huge corporations and we can't accept that taxpayer money is going to businesses that haven't been hurt by this crisis. We have to step up and fight for the transparency, information and reform necessary to make sure those individuals and small businesses hurt by the coronavirus are getting the help they need.

The answers to these questions are critical to the success of the SBA and to the survival of many small businesses across our country. Thank you for your efforts to help those that are struggling, and I look forward to your reply.

Sincerely,



Rick Scott
United States Senator