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Congress of the United States  
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Washington, DC 20515

ASSISTANT WHIP

COMMITTEE ON ENERGY AND COMMERCE

SUBCOMMITTEE ON CONSUMER PROTECTION & COMMERCE  
SUBCOMMITTEE ON ENERGY  
SUBCOMMITTEE ON ENVIRONMENT & CLIMATE CHANGE  
SUBCOMMITTEE ON HEALTH

April 20, 2020

Jovita Carranza  
Administrator  
Small Business Administration  
409 Third Street, SW, Suite 7900  
Washington, DC 20416-2230

Dear Administrator Carranza:

The Coronavirus Aid, Relief, and Economic Security Act (CARES Act; P.L. 116-136), signed into law on March 27, 2020, was intended to provide relief for many small businesses facing economic hardship and uncertainty in the sector. The Payment Protection Program (PPP) established by the CARES Act aims to help eligible small businesses defined by SBA's size standards. Unfortunately, I am concerned by the implementation of the PPP by the Small Business Administration (SBA).

Data provided by the SBA illustrates that Delaware saw the approval of nearly 5,000 loan applications and the obligation of \$590 million in coronavirus disease 2019 (COVID-19) relief funding. While it is reasonable that the majority of relief funding is obligated to more populous regions in the nation, funding appropriated to Delaware appears to be disproportionate even when compared to less populous states. This raises questions as to whether PPP implementation is consistent with disbursement criteria in the CARES Act.

More concerning are some reports suggesting that lenders reviewing loan applications have given preferential treatment to business owners who already have loan accounts with that lender. Unfortunately, it is currently difficult for Congress to ascertain the validity of these concerns. It is critical that the SBA provide Congress with data to better inform pandemic response efforts, including data on the acceptance and denial rates for the PPP loan applications broken down by state and whether the applicants were already loan customers at those banks.

Therefore, I request that the SBA provide the following data and information:

- PPP acceptance and denial rate data by state.
- Number and percentage of loan approvals with previous or current customers (account holders and/or loans) of the lending institution.

- Demographic data of businesses whose applications were approved, denied, or that remain pending.
  - This data should stipulate approval, denial, and pending application data for minority-owned, veteran-owned, and women-owned small businesses.
- Total number of processed and outstanding loan applications.
- Data on the business sizes of approved and denied applications, including the median and mean size data.

While the SBA continues its work with small businesses which represent the lifeblood of the economy, more transparency is needed across all levels. I appreciate your attention to this urgent matter and look forward to your response.

Sincerely,

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

LISA BLUNT ROCHESTER  
Member of Congress