

Congress of the United States
Washington, DC 20515

September 10, 2020

Hannibal “Mike” Ware
Inspector General
Office of the Inspector General
U.S. Small Business Administration
409 3rd Street SW
Washington, DC 20416

Richard Delmar
Acting Inspector General
Office of the Inspector General
U.S. Department of the Treasury
1500 Pennsylvania Avenue NW
Washington, DC 20220

Dear Mr. Ware and Mr. Delmar,

We appreciate your continued partnership with lawmakers as Congress continues to help American workers and businesses weather the economic hardships brought upon by the novel Coronavirus (COVID-19) pandemic and the necessary public health actions taken to slow down the spread of the disease.

Through the passage of the Coronavirus Aid, Relief and Economic Security (CARES) Act, the Paycheck Protection Program (PPP) and Healthcare Enhancement Act, and, most recently, the Paycheck Protection Program Flexibility Act, Congress brought immediate aid to struggling small businesses. These laws allowed the Small Business Administration (SBA) to use funds from the Disaster Assistance Program to issue Economic Injury Disaster Loans (EIDL) and created the Economic Injury Disaster Loan Advance (EIDL Advance) program and the PPP. As of August 8th, 2020, these programs have provided \$178 billion, \$20 billion, and \$525 billion, respectively, to thousands of small businesses in North Jersey and to millions more nationwide.

This relief has helped small businesses fund payroll, pay rent, and meet other obligations to stay in operation, and must continue with the intended purpose of helping struggling businesses weather the economic recession brought upon by the pandemic. The SBA’s Office of Inspector General (OIG) assists in oversight of these programs, providing independent analysis, working to identify and recommend ways to limit waste, fraud, and abuse, and enhance program efficiency and effectiveness. The SBA Inspector General Report Number 20-16, published on July 28th, 2020, stated that there are “strong indicators of widespread potential fraud” within the EIDL program. There have also been separate reports of fraud within the PPP. These fraudulent actors represent only a small percentage of small businesses that received the federal aid, but it is unacceptable for anyone to use this crisis as an opportunity to enrich themselves, defraud the taxpayer, and deny these funds from hard-working Americans.

Section 1107 of the CARES Act included \$25 million for the SBA OIG, and the House of Representatives fulfilled the SBA OIG budget request in the FY2021 Financial Services and General Government appropriations bill. Still, in FY2019, the SBA OIG had only 111 full-time equivalent employees, relatively unchanged over the past nineteen years. It is unrealistic to expect this limited workforce to be able to thoroughly investigate more than a small fraction of the possible fraud and negligence in the programs under their purview. Therefore, we request

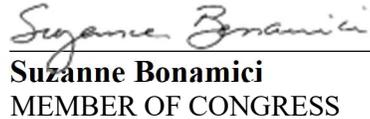
that you provide, in writing as soon as possible, an accounting of what tools and resources the SBA OIG may still require to achieve their mission and that Congress may provide, including using both appropriations and statutory authority.

For Congressional oversight to be robust, it is vital that the OIG remains effective, and we are ready to work with you to ensure that resources are available. We urge you to utilize all tools available to assist our local communities, ensure that these programs are helping the small businesses as intended, and protect the American taxpayer.

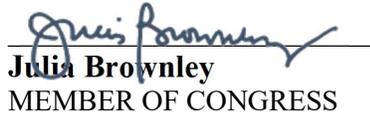
Sincerely,



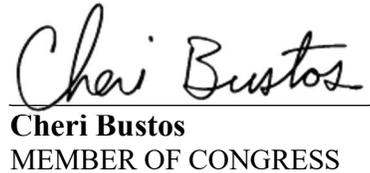
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MEMBER OF CONGRESS



Suzanne Bonamici
MEMBER OF CONGRESS



Julia Brownley
MEMBER OF CONGRESS



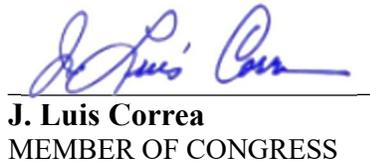
Cheri Bustos
MEMBER OF CONGRESS



Ed Case
MEMBER OF CONGRESS



Salud O. Carbajal
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J. Luis Correa
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TJ Cox
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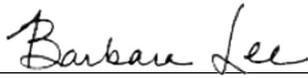
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Marcy Kaptur
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Rick Larsen
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Barbara Lee
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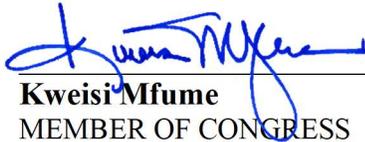
Stephen F. Lynch
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Tom Malinowski
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James P. McGovern
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Kweisi Mfume
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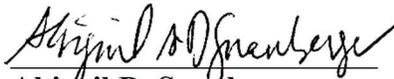
Joseph D. Morelle
MEMBER OF CONGRESS



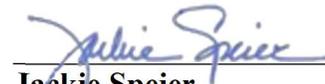
Chris Pappas
MEMBER OF CONGRESS



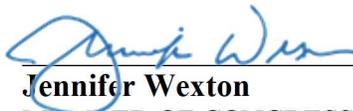
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