

**SHARICE DAVIDS**

**3<sup>RD</sup> DISTRICT, KANSAS**

COMMITTEE ON TRANSPORTATION AND  
INFRASTRUCTURE

COMMITTEE ON SMALL BUSINESS

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

1541 LONGWORTH HOUSE OFFICE BUILDING  
WASHINGTON, DC 20515  
(202) 225-2865

OVERLAND PARK OFFICE  
7325 W 79<sup>TH</sup> STREET  
OVERLAND PARK, KS 66204  
(913) 621-0832

KANSAS CITY OFFICE  
753 STATE AVE, SUITE 460  
KANSAS CITY, KS 66101  
(913) 766-3993

WWW.DAVIDS.HOUSE.GOV

April 30, 2020

The Honorable Steven T. Mnuchin  
Secretary  
Department of the Treasury  
1500 Pennsylvania Avenue NW  
Washington, DC 20220

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

Dear Secretary Mnuchin and Administrator Carranza,

I write to you today about the need for increased oversight, transparency, and accountability in the Paycheck Protection Program (PPP). Congress created this program through the Coronavirus Aid, Relief, and Economic Security (CARES) Act to ensure that small businesses across the country can keep their employees on payroll and keep their businesses afloat through this crisis. Our small businesses are the backbone of our economy in the Kansas Third District and we need them to be able to reopen their doors when it is safe to do so.

Many small businesses owners in my district are immensely and rightfully frustrated at their inability to access PPP loans, even as Congress has appropriated \$660 billion for the program across multiple acts. It is unacceptable that small businesses struggling to pay their rent and their employees cannot access the program while we see reports of more well-connected chains and financially secure businesses getting millions.<sup>1</sup>

I am extremely concerned about the reports that businesses for whom the program was not intended are receiving loans, while small businesses in my district are shut out. I strongly encourage you to release the list of businesses who have received these loans – not only to Congress but to the public. Companies that cannot withstand public scrutiny of their businesses dealings while receiving federal taxpayer-funded loans should not be receiving them at all. Congress's ability to conduct proper oversight of this program is critical and impossible without full transparency.

Additionally, Congress passed the PPP with clear guidelines that small business borrowers through this program should use these funds to pay their employees, rent, and utilities to sustain their business and keep workers on payroll to survive this crisis. I am deeply concerned by reports that companies with serious legal and financial problems have received these loans ahead of deserving

---

<sup>1</sup> *Some Not-So-Small Companies Are Getting Small-Business Loans Under PPP*, NPR (April 21, 2020), <https://www.npr.org/2020/04/21/839716980/some-not-so-small-companies-are-getting-small-business-loans-under>

and suffering small businesses.<sup>2</sup> Dozens of businesses with easy access to capital have been approved for these loans – including publicly traded companies and, even more egregiously, companies that had already borrowed from their own executives and may use the PPP loan to pay those executives back multi-million dollar salaries. This is outrageous and unacceptable.

I urge you to issue urgently needed guidance to lenders to clarify which businesses should be receiving these loans. Preference should be given to those without alternate access to capital that need additional funding to cover their most basic and essential needs, which are payroll, rent, and utilities.

There have been considerable challenges in creating and administering this program on an extremely expedited timeline in the midst of a global pandemic, and I fully appreciate the difficulty that the Small Business Administration and Department of Treasury have gone through to do so. But these programs are vital lifelines to small businesses across the country and we cannot fail them in their time of greatest need. I look forward to continuing to work with you to improve and reform these programs and to support our small businesses during this crisis.

My Warmest Regards,



Sharice L. Davids  
Member of Congress

---

<sup>2</sup> *Large, Troubled Companies Got Bailout Money in Small-Business Loan Program*, NEW YORK TIMES (April 26, 2020), <https://www.nytimes.com/2020/04/26/business/coronavirus-small-business-loans-large-companies.html?referringSource=articleShare>