

June 18, 2020

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

The Honorable Steven T. Mnuchin
Secretary of the Treasury
U.S. Department of the Treasury
1500 Pennsylvania Avenue, NW
Washington, D.C. 20220

RE: Paycheck Protection Program's Lack of Transparency

Dear Administrator Carranza and Secretary Mnuchin:

As a leading representative of the 30 million small businesses in America, Small Business Majority writes today regarding the lack of transparency under the Paycheck Protection Program (PPP). With small businesses across the country facing unprecedented circumstances, they are almost solely relying on federal programs like PPP to keep their businesses afloat and their employees paid. We appreciate the work that Treasury and the Small Business Administration have done to date to implement programs like PPP to assist small businesses across the country. However, it's become abundantly clear that the program needs an oversight tool in place so we can ensure that the funding is reaching the communities and businesses that need it most.

The program was allocated nearly \$660 billion dollars in funding, but it remains unclear where that money has been spent and whether it's been distributed equitably. The limited data that is available indicates that PPP loans have largely shut out women- and minority-owned businesses, who lack access to traditional banking relationships.

To mitigate the lack of transparency in the program, Small Business Majority recommends the following measures that would collect the necessary data while protecting the smallest of business's privacy:

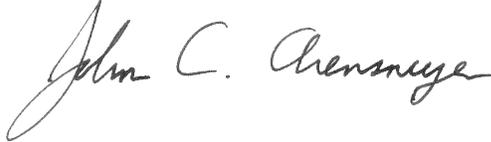
- Collect the following data from all borrowers:
 - Name of borrower
 - Name of business
 - Address of business
 - Number of employees
 - Industry type
 - Amount of loan request
 - Approved loan amount
- In order to protect privacy for the self-employed, sole proprietors and small business owners and prevent risking competition, for borrowers that received less than \$150,000 in PPP funding, redact the borrower's name, business name and address (excluding zip code) from publicly available data. This would still allow for transparency and oversight of the program,

while protecting 85% of borrower information that is made publicly available, and ensure more transparency of the loans made to larger businesses.

- All information should be made available to the Inspector General to ensure funding was allocated fairly.

With nearly \$130 billion dollars left in the program, we must understand where funds are being allocated to ensure remaining PPP loan funds go to the businesses that need them most.

Sincerely,

A handwritten signature in black ink that reads "John C. Arensmeyer". The signature is written in a cursive, flowing style.

John Arensmeyer
Founder & CEO