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April 28, 2020

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

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

Dear Secretary Mnuchin and Administrator Carranza:

I write to urge you to immediately and continuously disclose non-confidential information related to Paycheck Protection Program (PPP) borrowers and lenders in order for Congress and the public to accurately evaluate PPP's effectiveness. This program is critical to helping small businesses and qualifying nonprofits retain their employees and stay afloat amid the current COVID-19 pandemic our country is facing, but it will only work if those in need can access it.

I appreciate that you have released a state-by-state breakdown of the number of approved PPP borrowers and total loan amounts, but Congress still lacks a full picture of how the program is working. Revelations that multiple large public companies have received PPP loans show that the program is not functioning entirely as intended. Furthermore, while I am pleased that the Treasury Department has since issued guidance clarifying that it is doubtful that "a public company with substantial market value and access to capital markets will be able to make the required certification" that a PPP loan is necessary, the fact is that these shortcomings of the PPP loan program only came to light because these companies voluntarily disclosed that they received PPP loans and what those loan amounts were.

At the same time, my office has heard from many small businesses across Rhode Island that did their part by getting their paperwork in order and applying for PPP loans in a timely manner, but were still shut out from the first round of PPP funding. It is now apparent that lenders have been prioritizing the applications of well-connected and larger clients, while downgrading the applications of smaller businesses without pre-existing lending relationships. This is clearly not how Congress intended the PPP loan program to work.

As many states begin to enter their second month of stay-at-home orders and countless companies remain shuttered, small business owners and their employees deserve to know if the programs Congress created to help them are working. Moreover, greater transparency is necessary to enable Congress to fully understand the impact small business assistance programs are having, as well as to make targeted improvements as further COVID-19 recovery legislation is considered.

I respectfully request that you immediately and continuously publicly disclose specific, state-by-state information detailing which businesses, nonprofits, and other eligible organizations have accessed PPP loans, how much each entity has received, and which banks these loans originated from. I appreciate the work that you have done assisting small businesses during the COVID-19 crisis, and I look forward to reviewing this information to help ensure PPP funds are flowing to the small companies that truly need it.

Thank you for your attention to this matter, and I look forward to your prompt response.

Sincerely,

A handwritten signature in blue ink that reads "Jack Reed". The signature is fluid and cursive, with the first name "Jack" being more prominent than the last name "Reed".

Jack Reed  
United States Senator