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July 20, 2020

The Honorable Jovita Carranza
Administrator
Small Business Administration
409 3rd St SW
Washington, DC 20416

The Honorable Steven Mnuchin
Secretary
U.S. Department of the Treasury
1500 Pennsylvania Avenue N.W.
Washington, DC 2022

Dear Administrator Carranza and Secretary Mnuchin,

I am writing to ask that your agency provide more information to clarify serious reporting inaccuracies regarding the numbers of jobs supported by the Paycheck Protection Program (PPP) that was created in the Coronavirus Aid, Relief, and Economic Security (CARES) Act [P.L. 116-136]. While the program has provided critical support for businesses throughout Wisconsin and the United States, it is concerning that the data released by the Administration appears to vastly overstate the number of jobs saved in certain sectors, confusing both the lenders who administered the program and small business owners receiving the loans.

Reports earlier this week found that data released by the Small Business Administration (SBA) on the PPP included inflated numbers of jobs that were either saved or supported by the program, raising doubts about statements from members of the Administration that 51 million jobs were supported by PPP. When interviewed, some business owners were confused as to why the data showed their PPP loan supporting hundreds of jobs, when their entire workforce was well below that number. Further, in some instances the reported numbers of jobs supported by the program were higher than the number of jobs in entire sectors of the economy.

The PPP was developed to allow small businesses to keep their workers during the COVID-19 crisis, and in many cases in Wisconsin, the program was successful thanks to the dedication of local lenders and state SBA officials who worked tirelessly to ensure the most vulnerable small businesses would have a lifeline to get through this crisis. However, as Congress looks to potentially extend or modify the program, lawmakers require accurate data to show where the program is working well and where improvements need to be made. I am concerned about the reports that these numbers may be skewed, hampering Congress's ability to make improvements and raising doubts among my constituents about the program's effectiveness.

Small businesses account for more than 99% of Wisconsin businesses and employ nearly half of all Wisconsinites, and the undoubtedly the PPP was a valuable tool for many of these businesses during the early months of the COVID-19 outbreak. I appreciate your prompt attention to this matter and stand ready to work with your office to ensure small businesses and their employees receive the assistance they need to stay afloat during these challenging times.

Sincerely,



Ron Kind
Member of Congress