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The Honorable Mitch McConnell  
Majority Leader, United States Senate  
S-230, The Capitol  
Washington, D.C. 20510

The Honorable Charles Schumer  
Minority Leader, United States Senate  
S-221, The Capitol  
Washington, D.C. 20510

The Honorable Nancy Pelosi  
Speaker, United States House of  
Representatives  
H-232, The Capitol  
Washington, D.C. 20515

The Honorable Kevin McCarthy  
Minority Leader, United States House of  
Representatives  
H-204, The Capitol  
Washington, D.C. 20515

Dear Leader McConnell, Speaker Pelosi, Leader Schumer, and Leader McCarthy:

I write to you today about American workers' deep need for additional small business relief to carry them through the ongoing public health and economic crises brought on by COVID-19 and President Trump's failed pandemic response. With hundreds forced to shut down in the past few months — many of them [for good](#) — and those that remain struggling to survive, it's clear that the time to provide mom-and-pop businesses with additional relief is now.

The Paycheck Protection Program (PPP) was established in the Coronavirus Aid, Relief, and Economic Security Act (CARES) Act to provide a lifeline to small businesses and their employees. But without stringent transparency and oversight measures to hold its recipients accountable, the PPP was immediately plagued by fraud, misuse, and abuse. Ultimately, the Trump administration funneled billions of dollars meant for workers and small businesses straight into the hands of fraudsters and wealthy corporations: everyone from [Canadian libertarian mining companies](#) and [national restaurant chains](#) to the [LA Lakers](#) and a Floridian man with an [affinity for Lamborghinis](#) were able to access the program's funds as actual mom-and-pop businesses — particularly those in communities of color — were left behind.

A new [in-depth report by Accountable.US](#) documents the shortcomings of the PPP and how it missed the mark in providing financial support to the businesses and communities most gravely impacted by the pandemic. Among other findings, the report shows that due to the program's flawed design and implementation, larger corporations were able to access funds through loopholes, workers were not prioritized, and vague and confusing language left small businesses struggling to understand and meet the program's ever-changing terms. Meanwhile, it is estimated that up to 90-percent of businesses owned by people of color or women were shut out of the program entirely because of its poor structure.

Furthermore, just this week we learned that corporations used PPP funds to enrich their shareholders. As the [Washington Post reported](#): "Some publicly traded companies that received taxpayer-backed small business loans to pay their employees during the early weeks of the pandemic paid out millions to Wall Street investors in dividends and share buybacks."

As a result of these failures, thousands of businesses may be forced to close for good. The effects are particularly disastrous for Black- and other minority-owned businesses: surveys indicate that as many as [40 percent of Black-owned businesses](#) may not survive the pandemic, and as many as [77% of Black entrepreneurs](#) say they need emergency grants immediately in order to keep their businesses afloat. [Asian American unemployment has quadrupled](#) during the coronavirus crisis, and a survey of 500 Latino business owners from the first round of the PPP showed that [less than 1/5 of applicants were able to obtain assistance](#) through the program.

In order to protect against repeating these same issues in the future, the next relief package Congress passes must include:

- **Small Business Relief that Reaches Those Who Need It Most:** The Paycheck Protection Program overwhelmingly favored wealthy and well-connected corporations. As small businesses keep fighting to stay afloat, it is essential that the next relief package has provisions to ensure that aid money reaches the enterprises that need support most: actual mom-and-pop shops, not the president's friends in corporate America or those with connections to the administration.
- **Strong, Enforceable Transparency Measures:** In order to protect against fraud and ensure the fair and equitable distribution of relief funds, it is crucial that the next relief bill include straightforward and enforceable transparency measures. Taxpayers deserve to know where their money is going, and without proper oversight, neither the Trump administration nor bad actors abusing the program can be held accountable for failing to get people the aid they need.
- **Additional Clarity on the PPP:** While new applications to the Paycheck Protection Program ran out in early August, several questions surrounding next steps for the program's recipients still remain. According to a [recent GAO report](#), a lack of guidance from the Trump administration is likely to hinder those businesses lucky enough to obtain funds through the PPP in converting those loans into grants. The next relief bill must include language to ensure that more data on the Paycheck Protection Program is made publicly available, and that small businesses have the tools they need to get their loans forgiven.

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This weekend marks six months since the CARES Act was signed into law, and 50 days since applications to the Paycheck Protection Program closed. To ensure the strength of the nation's economy and the well-being of American workers and small businesses nationwide, securing additional small business aid must be Congress' top priority.

Thank you for your time and consideration.

Sincerely,

Kyle Herrig  
President  
Accountable.US