

United States Senate
WASHINGTON, DC 20510-0908

March 7, 2025

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

Dear Administrator Loeffler,

We write to request your immediate attention to the unlawful participation of the Planned Parenthood Federation of America (PPFA) in the Paycheck Protection Program (PPP) and request requisite responsive information and documents that the U.S. Small Business Administration (SBA), under the Biden Administration, repeatedly failed to provide Congress as they obstructed legitimate Congressional oversight. As we noted in questions for the record prior to your confirmation, we continue to seek this information and documents regarding these PPFA and PPP decisions, and we appreciate your commitment to providing these items to us in a timely manner.¹

On May 19, 2020, SBA notified a number of PPFA affiliates that they had wrongfully applied for 38 PPP loans totaling more than \$80 million dollars. SBA determined that these local affiliates of PPFA were ineligible for PPP loans under the applicable affiliation rules and size standards and that the loans they received should be returned. Despite this determination, the SBA, under the Biden Administration, approved further loans in 2021 totaling nearly \$40 million. Further, the SBA then allowed at least 34 Planned Parenthood PPP loans to be forgiven.²

Over the years, we've repeatedly sought out this information. During a Committee on Small Business and Entrepreneurship hearing on March 24, 2021, we questioned then-Associate Administrator of SBA's Office of Capital Access, Patrick Kelley, about the new information suggesting Planned Parenthood affiliates had received second draw loans despite the agency's previous determination that these entities were ineligible. Mr. Kelley testified that the SBA had not reversed the longstanding application of affiliation rules or changed any rule related to affiliation. Following this, we sent multiple letters on April 15, 2021, May 10, 2021, May 20, 2021, and again on April 26, 2022, requesting further information.³ However, SBA failed to provide the required information. Most recently, on December 17, 2024, we sent SBA a document retention and record preservation request, specifically on this topic, to

¹ *Nomination of The Honorable Kelly Loeffler to be Administrator of the Small Business Administration: Hearing Before the S. Comm. on Business and Entrepreneurship*, 119th Cong. (Jan. 29, 2025) (responses to Questions for the Record submitted to Chair Ernst by Hon. Kelly Loeffler).

² Letter from Rand Paul, M.D., Member, S. Comm. on Homeland Security and Governmental Affairs, et al., to Isabel Casillas Guzman, Adm'r, SBA (Apr. 26, 2022).

³ Letter from Rand Paul, M.D., Ranking Member, S. Comm. on Small Business and Entrepreneurship, et al., to Isabel Casillas Guzman, Adm'r, SBA (Apr. 15, 2021); Letter from Rand Paul, M.D., Ranking Member, S. Comm. on Small Business and Entrepreneurship, et al., to Isabel Casillas Guzman, Adm'r, SBA (May 10, 2021); Letter from Rand Paul, M.D., Ranking Member, S. Comm. on Small Business and Entrepreneurship, et al., to Isabel Casillas Guzman, Adm'r, SBA (May 20, 2021); Letter from Rand Paul, M.D., Member, S. Comm. on Homeland Security and Governmental Affairs to Isabel Casillas Guzman, Adm'r, SBA (Apr. 26, 2022).

ensure it was noted for the record that we viewed the information as pertinent and relevant to ongoing Congressional oversight.⁴

We continue to seek this information. Borrowers who made incorrect or false eligibility certifications on their PPP application are subject to severe penalties. For this reason, we respectfully request that you investigate whether any PPFA affiliates made a knowingly false certification on their applications for PPP loans, and upon findings of false certification, pursue all appropriate penalties for any unlawful participation in the program. Additionally, we request that you provide the Committees with the following information no later than March 21, 2025:

1. All records concerning or relating in any manner to any Planned Parenthood affiliate's application for PPP funds, including but not limited to any application, information, or material provided to the SBA by any Planned Parenthood affiliate.
2. Communication, including emails, from or with any Planned Parenthood affiliate or representative of any Planned Parenthood organization, including but not limited to any for profit or not for profit organization advocating or seeking information on behalf of Planned Parenthood.
3. All minutes, notes, or emails reflecting any internal deliberation regarding the eligibility of Planned Parenthood affiliates for the PPP program.
4. The names and titles of each SBA employee and/or contractor that conducted a formal or informal review of any Planned Parenthood affiliate's eligibility for the PPP program.
5. A detailed explanation regarding how two PPFA affiliates were approved for second draw loans despite the SBA's determination that they were ineligible for the PPP.
6. A detailed explanation of the SBA's process for ensuring entities that were determined to be ineligible for first draw loans did not get second draw loans.
7. All forgiveness information associated with loans to PPFA entities.
8. A description of any and all actions the SBA has taken to recover PPP funds unlawfully provided to PPFA affiliates.
9. Complete PPP loan-level data for all PPFA affiliates, as of the date of this letter.
10. A detailed explanation regarding why the SBA continued to approve PPP loans to PPFA affiliates despite the agency's previous determination that they were ineligible for PPP.

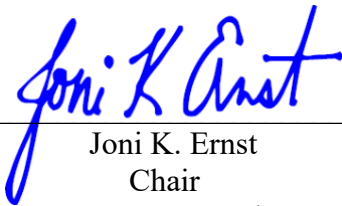
⁴ Letter from Joni K. Ernst, Ranking Member, S. Comm. on Small Business and Entrepreneurship, and Rand Paul, M.D., Ranking Member, S. Comm. on Homeland Security and Governmental Affairs to Isabel Casillas Guzman, Adm'r, SBA (Dec. 17, 2024).

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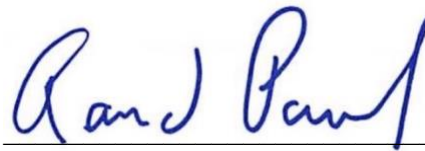
11. Unredacted copies of any and all agency decisions, determinations, guidance, policies, and/or documents related to PPP loans to PPFA affiliates.

Thank you for your prompt attention to this important matter. If you have any questions, please do not hesitate to contact Committee staff at (202) 224-5175.

Sincerely,



Joni K. Ernst
Chair
U.S. Senate Committee on
Small Business & Entrepreneurship



Rand Paul, M.D.
Chairman
U.S. Senate Committee on
Homeland Security & Governmental Affairs

Enclosures:

Letter from Rand Paul, M.D., Ranking Member, S. Comm. on Small Business and Entrepreneurship, et al., to Isabel Casillas Guzman, Adm'r, SBA (Apr. 15, 2021).

Letter from Rand Paul, M.D., Ranking Member, S. Comm. on Small Business and Entrepreneurship, et al., to Isabel Casillas Guzman, Adm'r, SBA (May 10, 2021).

Letter from Rand Paul, M.D., Ranking Member, S. Comm. on Small Business and Entrepreneurship, et al., to Isabel Casillas Guzman, Adm'r, SBA (May 20, 2021).

Letter from Rand Paul, M.D., Member, S. Comm. on Homeland Security and Governmental Affairs to Isabel Casillas Guzman, Adm'r, SBA (Apr. 26, 2022).

Letter from Joni K. Ernst, Ranking Member, S. Comm. on Small Business and Entrepreneurship, and Rand Paul, M.D., Ranking Member, S. Comm. on Homeland Security and Governmental Affairs to Isabel Casillas Guzman, Adm'r, SBA (Dec. 17, 2024).