

United States Senate

WASHINGTON, DC 20510

March 25, 2021

The Honorable Isabel Guzman
Administrator
United States Small Business Administration
409 3rd Street SW
Washington, DC 20416

Dear Administrator Guzman,

We write to request an investigation concerning how affiliates of the Planned Parenthood Federation of America (“Planned Parenthood”), a national organization with central control over its affiliates which has nearly \$2 billion in assets, and over 16,000 employees nationwide, are continually able to obtain loans through the Paycheck Protection Program (PPP) when Small Business Administration (SBA) rules and guidance has made it clear that they are ineligible for such funds.

Since the original authorization of the PPP, 38 Planned Parenthood affiliates have received over \$83 million in taxpayer funds meant for small business relief. According to the longstanding SBA affiliation rules which state that entities are affiliated “when one controls or has the power to control the other, or a third party or parties controls or has the power to control both,” Planned Parenthood, which operates in governance and practice as an affiliated group, is ineligible for these loans.

Following press reports in 2020 that Planned Parenthood affiliates had still applied for and received PPP funds contrary to the letter of the law, SBA sent letters to the 38 affiliates who had received funding, instructing those groups to return the funding. According to the most recently available data, seven affiliates did so, but the remaining 31 affiliates kept the received funding despite receiving notice that they had received such funds illegally. Of those 31, two affiliates actually applied and received a second draw from the program for a combined \$3.6 million when additional funding was appropriated.

It is unconscionable that SBA continues to approve PPP loans made to organizations which are clearly ineligible for funding. This is unacceptable, not only because SBA, like other agencies, must be a faithful and responsible steward of taxpayer dollars but also because continuing to make funds available for Planned Parenthood affiliates is in direct violation of the law.

We urge that the SBA promptly open an investigation into how these loans were made in clear violation of the applicable affiliation rules and if Planned Parenthood, relevant lenders, or staff at the SBA knowingly violated the law, and that appropriate legal action be taken if so.

On March 25, 2021, U.S. Congress took action to extend the PPP until June 30, 2021. We are concerned that this extension will give remaining Planned Parenthood affiliates time to illegally obtain funds from the program as the SBA has yet to take action on this issue.

We will continue to monitor the situation and vigilantly demand an investigation. Moving forward, the SBA must ensure that the agency upholds both the letter of the law and the intent of Congress in implementing this critical program to protect America's small businesses.

Sincerely,



Mitch McConnell
U.S. Senator



Mike Braun
U.S. Senator



John Barrasso
U.S. Senator



Cynthia M. Lummis
U.S. Senator



Steve Daines
U.S. Senator



Joni K. Ernst
U.S. Senator



Jerry Moran
U.S. Senator



Tom Cotton
U.S. Senator



John Boozman
U.S. Senator



Roger Marshall, M.D.
U.S. Senator



John Hoeven
U.S. Senator



John Thune
U.S. Senator



M. Michael Rounds
U.S. Senator



Tim Scott
U.S. Senator



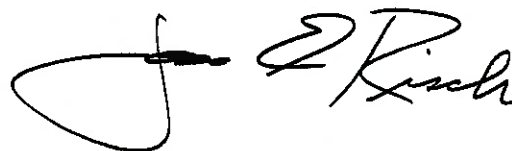
Todd Young
U.S. Senator



Bill Cassidy, M.D.
U.S. Senator



Thom Tillis
U.S. Senator



Jim Risch
U.S. Senator



Ben Sasse
U.S. Senator



Roger Wicker
U.S. Senator



John Kennedy
U.S. Senator



Rick Scott
U.S. Senator



Marsha Blackburn
U.S. Senator



Rob Portman
U.S. Senator



Marco Rubio
U.S. Senator