TAXPAYERS PROTECTION ALLIANCE

June 30, 2020

U.S. House of Representatives
Washington, D.C. 20515

Dear Representative:

On behalf of millions of taxpayers and consumers across the country, the Taxpayers Protection Alliance (TPA) urges you to support the "Paycheck Protection Program Transparency Act of 2020" (H.R. 6874) introduced by Rep. Katie Porter (D-Calif.). The Paycheck Protection Program (PPP) has provided more than $500 billion in forgivable loans to nearly 5 million American businesses since it was established under the Coronavirus Aid, Relief, and Economic Security (CARES) Act on March 27. Despite the unprecedented size of this program, and dozens of examples of waste, fraud, and abuse, taxpayers continue to be left in the dark about which companies are taking public funds.

H.R. 6874 would increase oversight and accountability over the PPP by requiring the disclosure of all recipients of loans made under the program. Data would be required in a searchable, downloadable format, consistent with established, bipartisan standards for government spending data. Americans deserve answers on how their money is being spent, and full PPP transparency would allow taxpayers and lawmakers to be certain that this vital job-saving program is working as intended.

What little data is already available about the PPP shows that a significant number of loans went to businesses that did not need them. According to an analysis by FactSquared, more than 400 publicly traded companies were able to access approximately $1.4 billion in loans under PPP. Despite public outcry and revised rules from the Small Business Administration (SBA), only 70 public companies had returned about $435 million in PPP loans as of June 1, 2020.

The Trump administration has agreed to disclose some information about PPP recipients and the funds they have received. The announced disclosure threshold of $150,000, however, is far too high and will shield many recipients from having to answer to taxpayers. According to a June 2020 analysis by the Government Accountability Office, "about 86 percent of loans (about $137 billion) were for loans of $150,000 or less." The report also states that "SBA has not provided details on how it plans to identify and respond to risks in PPP to ensure program integrity, achieve program effectiveness, and address potential fraud."

Rep. Porter's proposal would require the disclosure of the identities of *all* PPP loan recipients and the amount of taxpayer dollars they have received. These are necessary steps toward transparency for the PPP and ensuring accountability to the public. We urge you to support H.R. 6874 and introduce much-needed accountability to the coronavirus response effort.

Sincerely,

David Williams
President

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