

Congress of the United States
U.S. House of Representatives
Committee on Small Business
2361 Rayburn House Office Building
Washington, DC 20515-6515

August 15, 2024

The Honorable Isabella Casillas Guzman
Administrator
U.S. Small Business Administration
409 3rd Street SW
Washington, DC 20416

Dear Administrator Guzman:

The House Committee on Small Business (Committee) writes in response to the Small Business Administration's (SBA) lackluster production of documents pursuant to the Committee's July 30, 2024 Subpoena.¹ Specifically, we express our confusion regarding the SBA's repeated claims of cooperation and responsiveness to our requests for information. Since the first request was made by this Committee on March 20, 2024, the SBA has produced approximately 500 pages of documents, a substantial portion of which is just one email chain; further, nearly 20 percent of the documents produced by the SBA were entirely unresponsive to the Committee's requests. It remains unclear why the SBA has slow rolled productions and wasted time producing documents that were either nonresponsive to Committee's requests or duplicative.

In the five months since the Committee began its investigation, the only responsive documents the SBA had produced prior to the Committee's use of compulsory process were limited email communications between the SBA and the Michigan Department of State (MDOS) and a copy of its Memorandum of Understanding (MOU) with Michigan pursuant to Executive Order 14019 (E.O. 14019).² However, long lapses of time between some emails and references to other conversations in these emails, demonstrate the SBA has additional responsive emails that it has yet to produce to the Committee.

Since the issuance of the Committee's subpoena, the SBA has produced some documents which summarize past SBA events but are insufficiently detailed to satisfy the Committee's subpoena for transcripts. The SBA has not complied with the Committee's subpoena for communications and calendars from the SBA personnel involved in its MOU with MDOS. The documents produced on August 13, 2024 in response to the subpoena for calendars are media

¹ See Letter from George Holman, Assoc. Adm'r, Cong. and Legislative Affairs, U.S. Small Bus. Admin., to Roger Williams, Chairman, H. Comm. on Small Bus. (Aug. 13, 2024).

² Letter from Roger Williams, et al., Chairman, H. Comm. on Small Bus., to Isabella C. Guzman, Adm'r, U.S. Small Bus. Admin. (Apr. 4, 2024).

advisories—which the Committee has repeatedly told the SBA are not responsive to the calendar requests. In fact, the SBA has also provided *zero* calendars for the SBA employees identified in the Committee’s requests.

Though they were also included in the subpoena, the SBA has failed to produce any of its communications with third parties or small business owners; nor has the SBA produced any Microsoft Teams messages, call records, or any other communication record. Additionally, the SBA has provided no documents describing how it will implement this MOU, nor produced any policies the SBA has developed to direct its staff on their responsibilities under the agreement with MDOS. The Committee has also requested, but not received, the travel itineraries for the SBA employees involved in this MOU, reimbursement documents for political travel, and transcripts from events to which the SBA employees had traveled.³ The Committee has requested the implementation plan the SBA was required to submit to the White House under E.O. 14019; on three occasions, the SBA has told Committee staff no such implementation plans exist.⁴ Conversely, the Committee is aware of Freedom of Information Act litigation where SBA claimed that this document does exist.⁵

Throughout this investigation and the 118th Congress, the Committee has sought to work cooperatively with the SBA. The Committee has met repeatedly with SBA staff to prioritize documents for production, which was intended to streamline this process and reduce the workload for SBA staff. For similar reasons, the Committee has also worked with SBA staff to narrow the scope of all its requests. In May 2024, the Committee also requested transcribed interviews with two SBA employees regarding this MOU, as well as travel at the SBA. The SBA initially rejected this request, forcing the Committee to issue a subpoena compelling testimony from these individuals. In good faith, attempting to work cooperatively with the SBA, the Committee then made the extraordinary accommodation of allowing these individuals to appear in voluntary transcribed interviews, instead of depositions. Despite these continued efforts to accommodate the SBA, the productions from the SBA have remained woefully insufficient.

The Committee is aware of, and was encouraged by, staffing changes at the SBA to better handle its document production obligations. However, the Committee was disheartened to see that these changes merely resulted in the SBA further insisting that the past productions were sufficient. The Committee has been clear where the productions are lacking, and it seems with this latest production that the SBA has yet to take those conversations seriously. This creates substantial concerns regarding the earnestness of the SBA’s claims that it is improving this process.

³ See Letter from Roger Williams, et al., Chairman, H. Comm. on Small Bus., to Isabella C. Guzman, Adm’r, U.S. Small Bus. Admin. (May 16, 2024).

⁴ Letter from Roger Williams, et al., Chairman, H. Comm. on Small Bus., to Isabella C. Guzman, Adm’r, U.S. Small Bus. Admin. (Apr. 4, 2024).

⁵ *America First Legal Foundation v. U.S. Dep’t of Agriculture, et al.*, No. 22-3029, 2023 WL 4581313, *1, *2 (D.D.C. July 18, 2023).

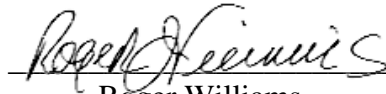
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The Committee has broad authority to investigate “problems of all types of small business” under House Rule X.3(l). The SBA’s persistent delays continue to undermine the Committee’s investigation into these efforts. Further, the Committee continues to have serious concerns regarding the SBA’s efforts to comply with its legitimate oversight requests and expects future document productions to be far more robust.

Sincerely,

A handwritten signature in black ink, appearing to read "Roger Williams", written over a horizontal line.

Roger Williams

Chairman

House Committee on Small Business

cc: The Honorable Nydia M. Velázquez, Ranking Member