

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

February 12, 2025

Acting Administrator Everett Woodel, Jr.
Small Business Administration
409 3rd Street, SW
Washington, DC 20416

Dear Acting Administrator Woodel:

We write to follow up on the letter we sent on February 3, 2025 requesting information on reports that officials associated with Elon Musk and the Department of Government Efficiency (DOGE) have requested and are being granted access to the Small Business Administration's (SBA) systems. In our letter, we requested a response to our questions by February 7, 2025, and to date, you have failed to respond to our concerns. Instead, you sent a response yesterday – four days past the deadline – that reflects an attitude of indifference towards legitimate congressional oversight. Small business owners deserve better.

First and foremost, the actions being taken by Elon Musk to dismantle the federal government are illegal and unconstitutional, and SBA's blatant disregard of our request for information about the DOGE's infiltration of the SBA is particularly troubling. As more information is publicly released about DOGE, our concerns are becoming increasingly heightened. That is why we are reiterating our request for information, and we expect a detailed and thorough response.

According to the Executive Order *Establishing and Implementing the President's "Department of Government Efficiency,"* the U.S. Digital Service is being renamed the U.S. DOGE Service wherein specific parameters must be met to operate.¹ However, there has been no formal or public effort to comply with such requirements, including a formal appointment of an Administrator. Despite Elon Musk acting as the Administrator and seemingly having been granted status as "Special Government Employee," there is no evidence for which he or his associates have provided to confirm they meet this special status, nor has evidence shown that they have undergone proper vetting to access government systems containing taxpayer and government data.

¹ The White House, *Establishing and Implementing the President's "Department of Government Efficiency"* (Jan. 20, 2025) located at <https://www.whitehouse.gov/presidential-actions/2025/01/establishing-and-implementing-the-presidents-department-of-government-efficiency/>.

As the Committee overseeing the SBA and its operations, we have a duty to protect and ensure the SBA's systems are only accessed by qualified and authorized personnel. That is why we raised our strong concerns about the sensitivity of the data obtained, which could include personally identifiable information (PII) of small business owners, SBA resource partners, and employees. Personal information, including names, addresses, business returns, and banking information may have been downloaded onto new unprotected servers or integrated into a database accessible to unauthorized users. Since then, we have learned through news reports that one of the individuals who was granted access to SBA systems was previously fired from a cybersecurity firm for leaking company secrets to competitors.² The infiltration of the SBA by these unvetted individuals who gained access to SBA critical networks and sensitive information of small business owners is particularly disturbing.

Additionally, recent reports indicate that sensitive data and taxpayer PII from other agencies have been input into artificial intelligence (AI) models with the intent of having AI tools recommend agency cuts and task automations.³ We find this particularly egregious on a number of levels. Small employers and entrepreneurs should not have their sensitive government information accessed as inputs in AI models without their knowledge and the reliability of the AI models making decisions on government agency operations and programs.⁴

The SBA's lack of a complete response undermines the Committee's investigation into these efforts. Further, the Committee must reiterate its serious concerns regarding the SBA's efforts to comply with its legitimate oversight requests. We therefore request the following information and answers as soon as possible but no later than February 14, 2025:

1. Responses to our inquiries included in correspondence dated February 3, 2025. For your convenience the questions that are awaiting a response are below.

- 1) Are the reports accurate that Elon Musk and his team have access to SBA's systems? If so:
 - a. What are the names of the specific systems?
 - b. Who has asked to gain access to the systems and for what purpose?
 - c. Who granted access?
 - d. Have any of these requests been approved? Are any still under consideration?
 - e. What information was obtained and what is it being used for?
 - f. Was there any breach of personal information?
- 2) The Executive Order directs each agency head to establish a DOGE team of at least four employees within each agency. Please provide a comprehensive list of all DOGE employees at SBA, as well as a

² Jason Leopold, et al., Musk's DOGE Teen Was Fired by Cybersecurity Firm for Leaking Company Secrets, Bloomberg.com, Feb. 7, 2025, available at <https://www.bloomberg.com/news/articles/2025-02-07/musk-s-doge-teen-was-fired-by-cybersecurity-firm-for-leaking-company-secrets?>.

³ Hannah Natanson et al., *Elon Musk's DOGE is feeding sensitive federal data into AI to target cuts*, WASH. POST. (Feb. 6, 2025), <https://www.washingtonpost.com/nation/2025/02/06/elon-musk-doge-ai-department-education>.

⁴ *Id.*

specific list of every individual who has been granted access to the system since President Trump's inauguration.

- a. Did they have appropriate clearances to protect sensitive information?
 - b. Please provide detailed information on how DOGE individuals complied with Ethics in Government Act, which include specific financial disclosure and conflict of interest safeguards.
 - c. Are the DOGE employees internal or external hires?
 - d. What specific access has been granted, and what was the rationale for doing so? confirm that no individual outside the SBA has been granted access to the systems since President Trump's inauguration?
- 3) What safeguards are in place to ensure access to these systems are not abused?
 - a. What safeguards are in place to protect Americans' personal and private data?
 - b. What safeguards are in place to protect the integrity of the programs and ensure that no authorized service or payment is delayed or canceled?
 - c. Please detail the extent to which you complied with the Privacy Act of 1974, which prescribes how federal agency records are stored, accessed, used, and disclosed?
- 4) The EO Establishing and Implementing the President's Department of Government Efficiency reorganizes the U.S. Digital Service, to be led by an Administrator within DOGE who reports to the White House Chief of Staff. While we've seen reports that Elon Musk is leading this effort, we've seen no formal communications from the White House naming Elon Musk as Administrator. Please provide specific information as to who is the administrator at DOGE, and please list all of the vetting of the appointment that has taken place.
- 5) What role did you personally play in granting access to Mr. Musk or other individuals affiliated with him?
- 6) What procedures are in place for controlling and providing access to the system, and were these procedures followed in this case?
- 7) Were any SBA employees threatened with administrative leave or otherwise in order for access to be granted?
- 8) Did President Trump, Elon Musk, or anyone at the White House suggest making any threats to fire or place anyone on leave that objected to grant the access? If yes, who suggested it and when did they suggest it?
- 9) Has the SBA threatened to remove or put any other career civil

servants at the Small Business Administration on administrative leave following President Trump's inauguration? Has anyone else in those offices left the Department since then?

- 10) Were additional unsecured servers set up after access was granted to the SBA's systems? If so:
 - a. What purpose do they serve and why were they necessary?
 - b. Please provide a list of anyone with access to these servers?
 - c. Have these servers undergone a Privacy Impact Assessment?
If so, please provide detailed information.
- 11) Please provide the legal authority under which the SBA granted access to systems to anyone associated with Elon Musk or DOGE.
- 12) Copies of all communications between associates of Elon Musk or DOGE and the SBA related to accessing SBA's systems.

2. Does the SBA have possession of a memorandum of understanding between SBA and DOGE or any document detailing its planned actions under the Executive Order *Establishing and Implementing the President's "Department of Government Efficiency,"* as required by the E.O.14158. Please transmit such documents to the Committee.

3. How are conflicts of interest being vetted and reported regarding any individual being given access to SBA's data?

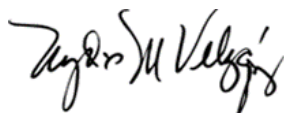
4. Going forward, what steps will the SBA take to ensure the protection of small business data?

5. Will you pledge to work with and immediately notify the Committee of further interactions and work with DOGE efforts?

Pursuant to Rule X of the House of Representatives, the Committee on Small Business has broad authority to investigate "problems of all types of small business." The Committee possesses jurisdiction over "assistance to and protection of small businesses."

Thank you for your attention to this matter. If you have any questions, please contact the Committee's minority staff at 202-225-4038.

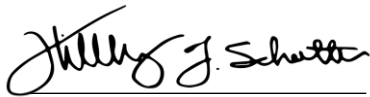
Sincerely,



Nydia M. Velázquez
Ranking Member
House Small Business Committee



Morgan McGarvey
Member of Congress



Hillary Scholten
Member Of Congress



LaMonica McIver
Member of Congress



Gilbert Ray Cisneros, Jr.
Member of Congress




Kelly Morrison
Member of Congress



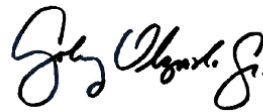
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