



U.S. SMALL BUSINESS ADMINISTRATION
WASHINGTON, D.C. 20416

OFFICE OF THE ADMINISTRATOR

September 22, 2025

The Honorable Nydia M. Velázquez
Ranking Member
Committee on Small Business
2361 Rayburn House Office Building
Washington, D.C. 20515

Dear Ranking Member Velázquez:

Thank you for your letter dated August 5, 2025, regarding the SBA's information systems and the Department of Government Efficiency (DOGE).

When I announced my Day One priorities for the U.S. Small Business Administration (SBA), I made a promise to streamline agency operations, eliminate waste, and ensure our programs deliver real results for taxpayers and small businesses alike. From Day One, my goal has been clear: return the agency to its core mission of empowering job creators and driving economic growth.

In accordance with President Trump's Executive Order 14158 entitled "Establishing and Implementing the President's Department of Government Efficiency," the SBA has been proud to work alongside DOGE as the federal government moves into a new era of accountability and transparency. To that end, your accusations – including the claim that DOGE operatives were granted expedited access to sensitive SBA data without proper clearance – are unfounded.

The DOGE members engaged at SBA were federal employees. As federal employees, they were subject to the same rigorous clearance protocol and training required of every other individual employed at the agency and, indeed, within the federal government. As is standard practice, such clearance and training are required prior to any engagement at the agency.

Thanks to the visionary leadership of President Donald J. Trump, the federal government is more accountable than ever before – and the SBA is grateful to those who have helped uncover millions in fraud, waste, and abuse on behalf of American taxpayers and small businesses. To date, we have found over \$630 million in fraudulent Paycheck Protection Program (PPP) and COVID Economic Injury Disaster Loan (EIDL) payments – including to more than 8,600 borrowers who were over 115 years of age or minors who were younger than 11.

We have subsequently taken aggressive action with new rules to protect our taxpayer dollars – including new citizenship and birthdate verification requirements, along with a total reversion to pre-Biden underwriting standards across the 7(a)-loan program. In doing so, the SBA has ended the policies that drove our flagship 7(a) program into \$400 million in negative cashflow during the last fiscal year.

At the same time, we are delivering more capital to Main Street than ever before. Since January 20, 2025, we have approved more than 52,000 7(a) and 504 loans totaling over \$28 billion – a double-digit increase year-to-date. As you can see, our results reflect a renewed commitment to accountability and efficiency backed by leadership that puts small businesses first.

Thank you for the opportunity to dispel the rumor and conjecture surrounding this issue. As I committed to you from the beginning, the SBA will always follow the law – and fulfill our mission to empower America's small business owners with accountability, transparency, and a zero-tolerance approach to waste, fraud, and abuse.

Sincerely,

Kelly Loeffler
Administrator
U.S. Small Business Administration