

United States Senate

WASHINGTON, DC 20510

May 14, 2021

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

Dear Administrator Guzman:

We continue to urge your agency and the entire Administration to mobilize all resources necessary for effective implementation of the Shuttered Venue Operators Grant (SVOG) program, which Congress approved on an overwhelmingly bipartisan basis in December 2020.

We were encouraged that the SBA began accepting applications for the program on April 26, 2021; however, we are discouraged that many American small businesses in need have not received any correspondence from your agency and highly recommend frequent communication with applicants regarding the status of their applications.

We were also alarmed by your agency's Inspector General's concerns about SBA's control environment and tracking results for SVOG. The Inspector General warned that your agency's audit plan for the SVOG program "exposes billions of dollars to potential misuse of funds because the bulk of grant funds will not be subject to a reasonable degree of scrutiny."¹ Congress has provided your agency with tools to ensure that taxpayer funding is targeted to help those entities that are most in need.

One of these tools is the requirement that applicants certify that the uncertainty of current economic conditions makes the SVOG grant necessary to support the ongoing operations of the eligible person or entity. This program should be providing \$16 billion in much needed emergency assistance for America's live venue operators and promoters, theatrical producers, live performing arts organization operators, museum operators, zoos and aquariums, motion picture theater operators, and talent representatives. We hope that your agency ensures that these SVOG funds are going to the intended entities, which desperately need the grants without any further delay.

Thank you for your attention to this important matter.

Sincerely,



Bill Hagerty
United States Senator



Marsha Blackburn
United States Senator

¹ SBA Office of Inspector General, *Management Alert Serious Concerns About SBA's Control Environment and the Tracking of Performance Results in the Shuttered Venue Operators Grant Program* (Apr. 7, 2021), <https://www.sba.gov/document/report-21-13-management-alert-serious-concerns-about-sbas-control-environment-tracking-performance-results>.