Testimony of Jennifer Kim Associate Administrator, Office of Field Operations July 24, 2024

House Committee on Small Business Subcommittee on Oversight, Investigations, and Regulations

Chairwoman Van Duyne, Ranking Member Thanedar, I am honored to appear before this subcommittee to discuss the work of the U.S. Small Business Administration (SBA)'s Office of Field Operations and the implementation of President Biden's Executive Order 14019.

I came to this position of the Associate Administrator for the Office of Field Operations as a field person through and through. For nearly two decades, I have worked to advance the public interest in a variety of nonprofit and political roles, working at the local, state, and national level. After graduating college, I began my career as a grassroots organizer on college campuses with the California Public Interest Research Group, a non-partisan, non-profit organization where I worked on environmental, affordable education, and civic engagement initiatives. I started as a local organizer, then oversaw a region of organizers, and then went to New Jersey where I became the State Director of the New Jersey Public Interest Research Group (NJPIRG). In that role, I built partnerships with stakeholders across the ideological spectrum – from small business groups to the AARP – as we worked together to bring down the high cost of energy, protect communities from toxic chemicals, and improve access to health care for New Jerseyans. During the COVID-19 pandemic, I worked to support local organizations in a multi-state effort to increase vaccination rates in underserved communities.

In March 2022, I was appointed to my current position as Associate Administrator of the Office of Field Operations at the SBA. In this role, I oversee 650 staff across our 10 Regional and 68 District Offices in all 50 states, the District of Columbia, Puerto Rico, and Guam. This team works tirelessly every day to support and connect small businesses to SBA resources.

Over the last several years, I have applied my organizing and field expertise to our mission at the SBA. I have found the fundamentals of running a large field operation are refreshingly similar when it comes to working on any issue. I strive to improve the field's performance while increasing the level of support the field offices receive. Challenges range from streamlining administrative tasks to working to update the field's outreach strategies in a post-pandemic environment. I have also fostered greater coordination at SBA headquarters to better support the field offices to be able to meet our goals and deliver on our mission. Most recently, for example, SBA Field Offices engaged delinquent borrowers across the country to bring them back into compliance. SBA outreach overall helped enroll more than 167,000 COVID-19 EIDL borrowers in the SBA's Hardship Accommodation Program to ensure that small businesses experiencing economic hardship remain current on their loan payments. That same outreach also helped more than 33,000 borrowers secure full or partial forgiveness on their PPP loans.

SBA's District Offices are at the forefront of supporting the more than 18 million new small business starts under the Biden-Harris Administration. No matter where you live in the country from Anchorage to Atlanta to Albuquerque, entrepreneurs and small business owners have an

invaluable resource in their community by way of their District Offices that can provide connections to SBA resources such as capital, counseling, or contracting. Last fiscal year, Regional and District Offices held over 51,000 events with over 2.5 million attendees. The 2025 Budget request will ensure that SBA district staff have the resources we need to continue to provide a high level of customer service and local knowledge that small businesses deserve and expect from SBA.

Turning to the focus of today's hearing, I welcome the opportunity to share more about SBA's involvement in implementing President Biden's Executive Order (EO) 14019 to promote access to voter registration and voting information for all eligible Americans.

In 2021, President Biden issued Executive Order (EO) 14019 asking federal agencies to consider ways to ensure all eligible citizens can freely participate in the electoral process. This nonpartisan effort was designed to remove barriers to voting in order to strengthen our democracy.

Supporting voter registration has long had bipartisan consensus in Congress. In the National Voter Registration Act of 1993 (NVRA), Congress found that "the right of citizens of the United States to vote is a fundamental right" and that "it is the duty of the *Federal*, State, and local governments to promote the exercise of that right" (Emphasis added). The NVRA required certain state agencies to provide nonpartisan voter registration opportunities. Importantly, that law expressly authorizes states to request that federal agencies accept designation to provide similar nonpartisan voter registration assistance.

SBA's intention to implement the President's Executive Order and participate in this nonpartisan voter registration initiative has been public and known to the Committee for several years. It is my understanding that the Committee has questioned the decision to select the state of Michigan to pilot this initiative. SBA informed the House Committee more than two years ago that we planned to partner with the state of Michigan on this effort.

When I arrived at SBA in 2022, the Agency was already working to implement the President's Executive Order. The Michigan Department of State (MDOS) and SBA were already in discussions for SBA's District Office to be designated as a Voter Registration Agency. SBA's Office of Field Operations and Office of General Counsel worked with MDOS staff to finalize operational and legal details. Once the agreement was finalized, SBA announced in March 2024 that we had completed a Memorandum of Understanding (MOU) with MDOS to begin offering resources for nonpartisan voter registration to SBA customers.

SBA has been transparent in responding to the Committee's request for information on our work in Michigan. Administrator Guzman testified about this initiative on March 20, 2024. SBA has written four formal responses to Chairman Williams on this issue including sharing the MOU and emails between SBA officials and the State of Michigan. We continue to have conversations with your staff about this issue.

On May 3, 2024, I briefed the Committee staff regarding the Agency's MOU with the State of Michigan detailing the ways in which SBA intends to participate.

As previously communicated to the Committee, SBA's involvement with Michigan is limited to the following:

- 1) Website Link SBA plans to provide a link to the Michigan Department of State online voter registration center on SBA's Michigan District Office website and other SBA materials. That link is not yet in use.
- 2) **Small Business Events** –SBA may invite the Michigan Department of State personnel to register voters at Small Business Resource Fairs or similar events. SBA employees will not be registering voters.

The MOU is very clear about the Agency's participation and the safeguards that prevent SBA employees from partisan activity. SBA employees are already subject to the provisions of the Hatch Act which prevents using official resources for partisan purposes, and Section X of the MOU further makes clear that SBA employees are prohibited from:

- a. Seeking to influence an applicant's political preference;
- b. Displaying any political preference or party allegiance;
- c. Taking any action or making any statement to an applicant to discourage the applicant from registering to vote; or
- d. Taking any action or making any statement the purpose or effect of which is to lead the applicant to believe that a decision to register or not to register has any bearing on the availability of services or benefits offered by the Agency.

SBA rejects claims that the Agency's compliance with the President's Executive Order is partisan in nature or somehow interfering with the upcoming elections in November. As Administrator Guzman testified on March 20, 2024 before the Small Business Committee:

"I think we can all agree that we want small businesses to vote and be active in this democracy. And, of course, providing information on how they can do that it is a simple process on [SBA's] website."

I hope that the Committee will recognize this work for what it is: an effort to provide small businesses with an additional resource and to encourage more people to register to vote and be active participants in our vibrant democracy. Congress authorized and encouraged this important work more than 30 years ago through the NVRA, and SBA is proud to do its part in connection with the President's Executive Order.

In closing, I am fortunate to work at an agency filled with staff that have unwavering commitment to helping small businesses. This dedication was never stronger than at the early stages of the pandemic where SBA field staff were at the front lines of our nation's economic response to COVID-19. I thank the Committee for their partnership with our district offices and I look forward to your questions.

¹ March 20, 2024 Full Committee Hearing: "Conducting Oversight: Testimony from the Small Business Administrator" | House Committee on Small Business