

Congress of the United States
U.S. House of Representatives
Committee on Small Business
2561 Rayburn House Office Building
Washington, DC 20515-6515

February 3, 2025

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

Dear Acting Administrator Woodel:

We write to express our alarm over reports that officials associated with Elon Musk and his quasi-governmental side project called the Department of Government Efficiency (DOGE) have requested and are being granted access to the Small Business Administration's (SBA) systems. Per an email sent to SBA employees, "access to all SBA systems" is being granted, including HR, contract, and payment systems. According to reports, employees were told such access was authorized yet the identity of who granted this permission remains unknown.

This unprecedented access to unauthorized non-governmental individuals will have wide-ranging implications for America's 34 million small businesses. It is especially concerning given the recent access provided to the Bureau of Fiscal Service's payment systems¹ and the actions taken regarding the United States Agency for International Development (USAID).²

The Small Business Administration (SBA) helps entrepreneurs launch and grow their small businesses through several proven and time-tested programs that provide access to capital, counseling and entrepreneurial training, and disaster assistance. In FY 2024, SBA supported at least \$37.7 billion in 7(a) loans, 504 loans, and microloans; counseled and trained more than 644,000 small business owners; and provided billions of dollars in loans for disaster survivors.³

After last week's attempt to freeze federal grants and loans, we are concerned that Musk's followers intend to block critical SBA services from reaching our nation's small employers. Unauthorized access to SBA's systems hurts not just small employers but also SBA's vast network of lenders and resource partners and will have a disastrous effect on the services provided to small

¹ SBA Grants DOGE Full Access to Its Systems, Yeshiva World News, Feb. 3, 2025, <https://www.theyeshivaworld.com/news/liveblogs/live-blog/2360047/sba-grants-doge-full-access-to-its-systems.html>.

² Will Steakin, et al., Turmoil inside USAID as Musk calls the agency "criminal" and says it has to die, ABCNews.com, Feb. 3, 2025, <https://abcnews.go.com/Politics/turmoil-inside-usaid-doge-reps-offices-senior-officials/story?id=118368900>.

³ U.S. SMALL BUS. ADMIN., FISCAL YEAR 2024 ANNUAL PERFORMANCE REPORT (Jan. 2025).

businesses. Beyond the operational impact, this breach endangers the private information of small business owners, SBA resource partners, and employees. It is alarming that sensitive personal information, including names, addresses, business returns, and banking information could not only be compromised but also downloaded onto new servers or integrated into a database accessible to unauthorized users.⁴ These businesses are taxpayers and deserve to know their information is protected, safe, and not used for nefarious purposes. We strongly object to granting any outside, unauthorized, non-governmental person access to this confidential and sensitive information.

We are deeply concerned that allowing sensitive information could not just harm our nation's small employers by eliminating critical services but also create an anticompetitive environment. Allowing an unelected billionaire and his associates to gain access to SBA's systems and proprietary information could allow him or any inexperienced aides to target entrepreneurs.

Our nation's small business community deserves better than this Administration's attempts to target them and the critical programs they rely on to start, operate, and grow their businesses. Instead of attacking our Main Street businesses, we should be working together to provide more investments in the policies that will help them continue to create jobs and grow our economy.

These actions combined with the termination of the independent SBA Inspector General on January 24, 2025, are particularly troubling. The Offices of Inspector General was created to independently and objectively hold federal agencies accountable – without the need for DOGE. The American people deserve answers about this mismanagement, which threatens the privacy and economic security of every American. Please answer the following questions by February 7, 2025:

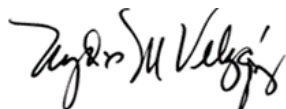
- 1) Are the reports accurate that Elon Musk and his team have access to SBA's systems? If so:
 - a. What are the names of the specific systems?
 - b. Who has asked to gain access to the systems and for what purpose?
 - c. Who granted access?
 - d. Have any of these requests been approved? Are any still 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 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?

⁴ Billy Mitchell, Lawsuit claims systems behind OPM governmentwide email blast are illegal, insecure, FEDSCOOP.com, Jan. 28, 2025, <https://fedscoop.com/opm-email-federal-workforce-lawsuit-server-privacy-security/>.

- e. Can you 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 unauthorized 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.

Thank you for your attention to this important matter. If you have any questions, please don't hesitate to contact committee staff. We look forward to your response.

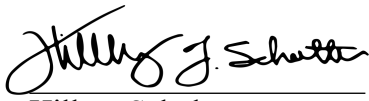
Sincerely,



Nydia M. Velázquez
Ranking Member
House Small Business Committee



Morgan McGarvey
Member Of Congress



Hillary Scholten
Member of Congress



LaMonica McIver
Member Of Congress



Gil Cisneros
Member of Congress



Kelly Morrison
Member Of Congress



George Latimer
Member of Congress



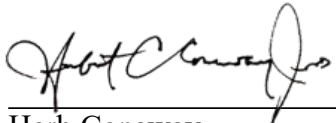
Derek Tran
Member Of Congress



Lateefah Simon
Member of Congress



Johnny Olszewski
Member Of Congress



Herb Conaway
Member of Congress



Maggie Goodlander
Member of Congress