Congress of the United States

H.S. House of Representatives Committee on Small Business 2361 Rayburn House Office Building Washington, DC 20515-0515

April 4, 2024

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

Dear Administrator Guzman:

The House Committee on Small Business (the Committee) is investigating the U.S. Small Business Administration's (SBA) activities involving voter registration. On March 19, 2024, the SBA announced a new voter registration Memorandum of Understanding (MOU) with the Michigan Department of State. The Committee is concerned about the lack of constitutional and statutory authority allowing the SBA to engage in activities beyond its mission, including voting access and registration activities. It appears that this is an attempt to improperly involve the federal government in America's electoral processes. Elections are for the American people to engage in, not for federal agencies to interfere with during an election year.

The SBA was created to "to aid, counsel, assist and protect the interests of small business concerns; preserve free competitive enterprise; and maintain and strengthen the overall economy of our nation." Yet, the MOU between the State of Michigan and SBA aims to "promote civic engagement and voter registration [through] Jan. 1, 2036." This Agreement has nothing to do with the SBA's mission and the legal duties its charged to fulfill. Small businesses are suffering from crippling inflation, overburdensome regulations, and U.S. small business optimism is at the lowest level in months. It is unacceptable for the SBA to divert resources from serving small businesses so it can register voters in Michigan.

¹ Press Release, U.S. Small Bus. Admin., SBA Administrator Guzman Announces Agency's First-Ever Voter Registration Agreement with Michigan Department of State (Mar. 19, 2024).

² Organization, U.S. SMALL BUS. ADMIN. (last visited Mar. 20, 2024), https://www.sba.gov/about-sba/organization.

³ Press Release, U.S. SMALL BUS. ADMIN., SBA Administrator Guzman Announces Agency's First-Ever Voter Registration Agreement with Michigan Department of State (Mar. 19, 2024).

⁴ See Mae Anderson, Inflation remains a headache for small business owners, AP NEWS (Mar. 19, 2024); See e.g., Explore the Data, Regulation Rodeo, AM. ACTION FORUM (last visited Mar. 20, 2024), https://regrodeo.com/?year%5B0%5D=2024&year%5B1%5D=2023&year%5B2%5D=2022&year%5B3%5D=2021; Amina Niasse, US small business optimism falls to lowest in 9 months, NFIB says, REUTERS (Mar. 12, 2024).

The Committee, as expressed by multiple Members in our Committee hearing on March 20, 2024, has serious concerns about the political nature of this MOU.⁵ It is inconceivable why Michigan—a state with a registered voting population above the national average—is where SBA found a need to use taxpayer resources to register more Michigan voters.⁶ Additionally, the timing of this MOU's announcement is suspicious. The SBA made this announcement while President Biden's campaign directs its attention toward Michigan, a key battleground state for his re-election efforts.⁷ The SBA involving itself in the election process of a battleground state during an election year is an insult to struggling small business owners across America. Perhaps this MOU is a "first of its kind collaboration for the SBA" because it is inconsistent with federal law, has nothing to do with the SBA's stated mission, and ignores the harsh realities small businesses face under the Biden Administration.⁸

The American people deserve to know why the SBA is focusing on registering voters in Michigan while small businesses nationwide struggle to survive under the Biden Administration's policies nationwide. Therefore, we formally request the following documents and information, in addition to requests made during our March 20, 2024, hearing, covering the time period of March 10, 2021, to the present, as soon as possible but no later than April 18, 2024:

- 1. All communications, including Microsoft Teams messages, between and among SBA personnel regarding E.O. 14019, and/or the MOU, from March 10, 2021, to present.
- 2. All communications between SBA personnel and third parties, including but not limited to small business owners, associations, non-profits, and SBA resource partners in the State of Michigan, regarding E.O. 14019, and/or the MOU, from March 10, 2021, to present.
- 3. A full, unreducted copy of the Memorandum of Understanding (MOU) between Michigan Department of State and the SBA.
- 4. A full, unredacted copy of any implementation plans regarding this MOU.
- 5. Interim and final reports drafted and submitted to the White House regarding implementation of the E.O. from March 1, 2021, through October 31, 2021.

⁵ See Conducting Oversight: Testimony from the Small Business Administrator: Hearing Before H. Comm. on Small Bus., 118th Cong. (Mar. 20, 2024) (statements of Dan Meuser, Member, H. Comm. on Small Bus., Pete Stauber, Member, H. Comm. on Small Bus).

⁶ See Registered Voters by State 2024, WORLD POPULATION REVIEW (last visited Mar. 20, 2024), https://worldpopulationreview.com/state-rankings/registered-voters-by-state.

⁷ See e.g., Biden campaigns in Michigan in latest visit to battleground state, THE WASH. POST (Mar. 14, 2024).

⁸ Press Release, U.S. Small Bus. Admin., SBA Administrator Guzman Announces Agency's First-Ever Voter Registration Agreement with Michigan Department of State (Mar. 19, 2024).

- 6. Evidence sufficient to show whether the SBA engaged in any activity relating to voter access or voter registration prior to the March 19, 2024, announcement of the MOU.
- 7. Evidence sufficient to show whether the SBA or the Michigan Department of State initiated the engagement on the MOU.

In addition to the above requests, we request a staff level briefing as soon as possible but no later than April 11, 2024.

To schedule the delivery of responsive documents or ask any related follow-up questions, please contact the Committee on Small Business Majority Staff at (202) 225-5821. The Committee on Small Business has broad authority to investigate "problems of all types of small business" under House Rule X. Thank you in advance for your cooperation with this inquiry.

In God We Trust,

Roger Williams

Chairman

Committee on Small Business

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Pete Stauber

Member of Congress

Committee on Small Business

Blaine Luetkemeyer

Vice Chairman

Committee on Small Business

Dan Meuser

Member of Congress

Committee on Small Business

cc: The Honorable Nydia M. Velazquez, Ranking Member Committee on Small Business