Hill voted to keep details of Congress’s $500 billion coronavirus response secret from the public. Now we learn that Hill’s vote against transparency put corporate special interest donors first, while Arkansas small businesses were not able to get the loans they needed and had to lay off workers or close completely.

As Of August 2020, 5,212,128 Paycheck Protection Program Loans Totaling $525,012,201,124 Had Been Issued. According to a Small Business Administration report, 5,212,128 Paycheck Protection Program loans totaling $525,012,201,124 had been issued as of August 8, 2020. [Small Business Administration, Paycheck Protection Program (PPP) Report, 8/8/20]

The CARES Act Established The Paycheck Protection Program (PPP), Which Gave Federally-Funded Aid To Small Businesses During The Coronavirus Pandemic. “The Paycheck Protection Program established by the CARES Act, is implemented by the Small Business Administration with support from the Department of the Treasury. This program provides small businesses with funds to pay up to 8 weeks of payroll costs including benefits. Funds can also be used to pay interest on mortgages, rent, and utilities. The Paycheck Protection Program prioritizes millions of Americans employed by small businesses by authorizing up to $349 billion toward job retention and certain other expenses. Small businesses and eligible nonprofit organizations, Veterans organizations, and Tribal businesses described in the Small Business Act, as well as individuals who are self-employed or are independent contractors, are eligible if they also meet program size standards.” [Department of the Treasury, accessed 5/9/20]

Hill Voted Against The TRUTH Act, Which Would Require The Small Business Administration To Make Public Which Companies Got Or Issued Paycheck Protection Program Loans Of More Than $2 Million. Hill voted against “Velazquez, D-N.Y., motion to suspend the rules and pass the bill that would require the Small Business Administration, within 30 days of enactment, to make certain information related to the Paycheck Protection Program and Economic Injury Disaster Loan Program publicly available and searchable online. Specifically, it would require information on any program disbursements of over $2 million, including to identify recipients and lenders or intermediaries and to describe the decision-making process for such disbursements. It would also require information on the amount of assistance provided to small businesses owned by socially and economically disadvantaged individuals, women, and veterans. The bill would also effectively separate the authorization cap for the Paycheck Protection Program from other SBA 7(a) small business loan guarantee programs.” The motion was rejected 269-147. [H.R. 6782, Vote #113, 5/28/20; CQ, 5/28/20]

The TRUTH Act Required The Small Business Administration To Disclose Businesses That Received Large Paycheck Protection Program Loans. “Small Business Transparency and Reporting for the Underbanked and Taxpayers at Home Act or the TRUTH Act This bill requires the Small Business Administration (SBA) to make information regarding economic relief measures implemented in response to COVID-19 (i.e., coronavirus disease 2019) publicly available. Specifically, with respect to the Paycheck Protection Program and economic injury disaster loans and emergency grants, the SBA must publish (1) the identity of each recipient of assistance and an explanation of the decision-making process underlying such disbursement; (2) the number of employees of each recipient and the date on which such assistance was disbursed; (3) an identification of each lender or intermediary through which assistance was disbursed; and (4) the amount of assistance disbursed to small businesses owned and controlled by socially and economically disadvantaged individuals, women, and veterans.” [Congressional Research Service, 5/8/20]

Businesses Tied To Members Of Congress Received Paycheck Protection Program Loans Faster Than Other Small Businesses. “When businesses tied to members of Congress received emergency loans from the Paycheck Protection Program, they had something in common: The loans went through quickly. On April 5, two days after the program launched, a group of McDonald’s franchises owned by Rep. Kevin Hern (R-Okla.) secured a loan of $1 million to $2 million. The same day, the tractor dealership that Rep. Vicki Hartzler (R-Mo.) owns with her husband secured a loan of between $350,000 and $1 million. On April 8, a car dealership owned by Rep. Vern Buchanan (R-Fla.) became one of the first dozen businesses in Florida to receive a loan over $150,000 from BMO Harris Bank; the loan was worth between $2 million and $5 million. A second dealership in which Buchanan has a sizable stake, in North Carolina, received a loan of between $350,000 and $1 million a day later. The speed of those
loans highlights how an emergency relief system that frustrated countless small business owners nevertheless worked quickly and effectively for elite owners.”[Huffington Post, 7/10/20]

Companies Owned Or Operated By Major Donors To President Donald Trump Received As Much As $273 Million In Paycheck Protection Program Loans – And Many Received Their Loans Faster Than Other Businesses. “As much as $273 million in federal coronavirus aid was awarded to more than 100 companies that are owned or operated by major donors to President Donald Trump’s election efforts, according to an Associated Press analysis of federal data. Many were among the first to be approved for a loan in early April, when the administration was struggling to launch the lending program. And only eight businesses had to wait until early May before securing the aid, according to the AP’s review of data released Monday.”[Associated Press, 7/7/20]

A Center For Responsive Politics Analysis Found That Employees And PACs Connected To Firms That Received Paycheck Protection Program Loans Donated $52 Million To Influence Federal Elections. “Government rescue loans meant for struggling small businesses went to a number of well-connected firms whose executives are major contributors to lawmakers’ campaigns and political parties. Employees and PACs connected to firms that received loans under the Paycheck Protection Program — and in some cases the companies themselves — contributed at least $52 million to federal committees during the 2020 election cycle. Republicans and conservative groups got $27 million from these donors, while Democrats and liberal groups received $24 million. That’s according to OpenSecrets’ analysis of partial loan data released by the Small Business Administration this month. OpenSecrets found that employees linked to roughly 4,800 businesses made political donations of $1,000 or more during the 2020 election cycle. That’s a small slice of the 650,000 businesses disclosed as receiving a loan of $150,000 or more.”[Center for Responsive Politics, 7/23/20]

Arkansas Small Business Groups Alleged That Larger Companies Got Paycheck Protection Loans First While Smaller Companies Were Made To Wait. “Despite processing those thousands of PPP applications in Arkansas, several small business trade groups and advocates protested that many SBA-approved banks and financial institutions processed the biggest loan amounts first because they increased origination fees. Some small business advocates in Arkansas say possibly thousands of applications by firms sole proprietors, independent contractors, nonprofits and other self-employed ‘1099’ entities were held up by SBA lenders due to confusion over a late guidance by SBA and Treasury officials on April 14.”[Little Rock Daily Record, 4/27/20]


Little Rock’s The Crown Shop Closed Furloughed Workers While Waiting For A Paycheck Protection Program Loan. “Wendy Ramsey, the owner of The Crown Shop in Little Rock, received her $129,000 PPP loan on April 20, about a month after temporarily closing her Park Plaza Mall store on March 17. […] Ramsey said she had a friend who worked in banking who was able to help them understand the confusing parts of the loan, so she was able to fill out the application in late March or early April. However, having been closed for weeks already, Ramsey lost time on spending the required amount of money to qualify for loan forgiveness. […] Ramsey said her two stores, their employees and customers, have always been like a big family. During the six to eight weeks The Crown Shop was closed, a handful of already-furloughed employees volunteered to come in and help with curbside pickup without expecting pay.”[Arkansas Money & Politics, 6/10/20]

Arkansas Business Wirt’s Jewelers Did Not Get A Paycheck Protection Program Before The First Round Of Funding Ran Out And Laid Off Workers. “Congress allocated $350 billion to help businesses pay their employees, but most of it has been already been spent. And many Arkansas businesses who didn't get loans in time are facing some tough decisions. For 50 years, Wirt's Jewelers has been in Don Rouse's family. His in-laws started the business, and he and his wife bought it when they retired with plans to pass it on to their daughter. […] As an accountant, Rouse knew the Paycheck Protection Program could help them keep their employees while business was slow. He gave his bank the paperwork on April 9th, but a week later, before it was submitted, the PPP fund was depleted. […] Rouse said it was a hard reality to face for his small business. ‘We have laid two of our five employees off and the rest of them are working part time,’ he said. ‘It's really
bad. You know, in small businesses, people really are like family. These are people that you see every day and have lunch with and talk to and share your problems.” [KATV, 4/17/20]