

**EXECUTIVE OVERREACH: EXAMINING THE SBA'S
ELECTIONEERING EFFORTS WITH ASSOCIATE
ADMINISTRATOR OF OFFICE OF FIELD
OPERATIONS, JENNIFER KIM**

HEARING

BEFORE THE

SUBCOMMITTEE ON OVERSIGHT,
INVESTIGATIONS, AND REGULATIONS

OF THE

COMMITTEE ON SMALL BUSINESS
UNITED STATES

HOUSE OF REPRESENTATIVES

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WEDNESDAY, JULY 24, 2024

HOUSE OF REPRESENTATIVES,
COMMITTEE ON SMALL BUSINESS,
SUBCOMMITTEE ON OVERSIGHT, INVESTIGATIONS,
AND REGULATIONS,
Washington, DC.

The Subcommittee met, pursuant to call, at 10:00 a.m., in Room 2360, Rayburn House Office Building, Hon. Beth Van Duyne [chairwoman of the Subcommittee] presiding.

Present: Representatives Van Duyne, Williams, Alford, Crane, and Thanedar.

Also Present: Representatives Meuser, McClain, and Scholten.

Chairwoman VAN DUYNE. I now call the Committee on Small Business to order, and, without objection, the Chair is authorized to declare a recess of the Committee at any time.

Before we get started, I want to ask unanimous consent to wave the following Members on for the purpose of asking questions in today's hearing.

We have two Representatives from the full Committee, Mr. Dan Meuser from Pennsylvania and Ms. Hillary Scholten from Michigan. In addition, we have Representative Lisa McClain from Michigan.

Without objection, so ordered.

I now recognize myself for an opening statement.

Good morning and welcome to today's hearing, which will focus on the SBA's unlawful involvement in registering voters in the State of Michigan. We are seriously concerned that these actions are unlawful and that the SBA is engaging in partisan activities to the detriment of small business owners.

Since your signature is at the bottom of this agreement between the SBA and Michigan, Ms. Kim, we look forward to hearing from you and getting answers for the American people during our conversation today.

As this Committee has pointed out many times before, the SBA can't even handle their current responsibilities. We have heard from the Administrator herself that the SBA does not have the resources to do what they are statutorily mandated to do, let alone engage in electioneering.

In fact, we heard from several small businesses, like the Silver Star Bar in Maybee, Michigan, that the SBA is failing small business owners.

The Silver Star Bar is not alone. I would like to read a quote from Dr. Chad Savage on the status of SBA assistance in Michigan.

Quote, “As a proud small business owner in Michigan, I expect the SBA to provide support and guidance to small businesses. However, instead of focusing on aiding and assisting small businesses like mine, the Biden-Harris administration is diverting taxpayer funds toward voter registration. This misallocation of resources for partisan purposes is frustrating and undermines the critical support that we need for small businesses.”

The Small Business Association of Michigan found that 50 percent of small business owners in Michigan report not being optimistic about their prospects over the next 6 months.

I would like to ask unanimous consent to submit the survey into the record.

Without objection, so ordered.

A recent CNBC poll found 86 percent of small business owners feel that they have no voice in policymaking. The SBA is supposed to be their voice and is failing miserably.

The SBA’s sole mission is to support small businesses. It has no authority to meddle in electioneering. And by entering into a memorandum of understanding with a battleground State like Michigan to facilitate voter registration, the SBA has stepped far beyond its intended role.

This move by the SBA, which they assert is taken under Executive Order 14019, also raises serious legal questions.

The SBA has tried to convince us that this memorandum, whenever they started implementing it, will be done in a nonpartisan manner.

Yet, the Administrator determines where she travels, and this Committee has found she chooses to visit areas with overwhelmingly Democrat voters. We have no reason to believe that this will change.

Moreover, the SBA’s recent actions have blurred the line between advocating for small businesses and serving as a political arm of the Biden-Harris administration.

We know the SBA has been heavily involved in Michigan. The Administrator has traveled to Michigan more than any other State during her tenure. We learned from emails produced by the Michigan Department of State that Governor Whitmer was involved in the planning process of this memorandum, and just this week she was announced as Co-Chair to the Harris for President campaign.

Further, as noted on the SBA’s website, your background, Ms. Kim, fails to highlight any experience in helping small businesses but rather highlights your years of experience in, quote, “increasing voter registration in communities of color, as well as promoting youth civic engagement,” unquote.

For obvious reasons, we have a lot of questions.

I think we can all agree that the federal government’s involvement in State elections goes against constitutional principles, and the SBA has circumvented established protocols, further eroding confidence in its impartiality.

For the sake of our job creators, this agency must return to its core mission to reestablish trust and credibility. We charge the SBA to realign their efforts with the needs of American entrepreneurs, addressing concerns such as regulatory burdens and economic recovery. The future of our nation's small business depends on it.

Ms. Kim, thank you for joining us today, and we look forward to the conversation ahead and finding answers to the many concerns that this Committee has raised about apparent electioneering.

With that, I yield to our distinguished Ranking Member from Michigan, Mr. Thanedar.

Mr. THANEDAR. Good morning and thank you, Madam Chairwoman.

Let me begin by stating that I am honored to be appointed the Ranking Member of this Subcommittee, and I look forward to working with you.

My hope is that we can turn our focus to the bipartisan issues that will aid our 33 million small businesses in the remaining time that we have.

With that said, I am particularly troubled with the focus of the hearing today.

In April, the majority launched an investigation into SBA's memorandum of understanding with the Michigan Department of State to promote voter registration. I think we can all agree that encouraging people to exercise their right to vote is a good thing.

The majority has launched an outlandish investigation resulting in multiple subpoenas of public servants, oversight letters demanding documents without a real scope from various offices within SBA and independent stakeholders, the White House, and many, many others.

I am concerned with the heavy-handedness of this investigation and the twisting of the facts.

And small businesses are getting the short end of the stick. Limited SBA resources are being diverted to unreasonable demands for information from the majority.

Let's set the record straight. The bipartisan National Voter Registration Act allows States to designate federal agencies as voter registration agencies.

To that end, SBA and the Michigan Department of State signed a memorandum of understanding, or MOU, allowing the Michigan Department of State to create a unique URL to place on SBA's website to drive online voting registration.

It also permits the Michigan Department of State to register voters at SBA district office outreach events in Michigan. The costs to the American taxpayer are minimal, and despite loud claims to the contrary, resources are not being diverted from small businesses.

The Committee was briefed by Ms. Jennifer Kim, in which all this information was shared. SBA provided the majority with some of the thousands of pages of documents requested.

We have had a hearing where the majority claims were thoroughly debunked. We have sat through two transcribed interviews of SBA employees. And yet, no evidence has been uncovered to support their claims.

It is unsettling, and I joined the Small Business Committee to share my experience as a scientist and a small business owner, among other important main street priorities for this Congress.

I had high hopes for my first term here, real opportunities to address actual issues affecting everyday Americans alongside peers across the aisle. That is what normally happens on this Committee.

But this year has been far from normal. Rather than focusing on real world issues American small business owners think about every day—capital access, a strong workforce, government contracts, and, most importantly, the small business boom President Biden has brought America in the wake of the COVID pandemic—we are holding a hearing on a sham investigation, and it is a shame.

I look forward to hearing from Associate Administrator Kim with the hope of getting more of the facts in the record and hopefully put an end to this investigation.

Thank you for being here today.

And I yield back the balance of my time.

Chairwoman VAN DUYNE. Thank you.

It is my privilege today to introduce our witness, Ms. Jennifer Kim. Ms. Kim is the Associate Administrator of the Office of Field Operations in the Small Business Administration at the SBA. Ms. Kim oversees 68 district offices and 10 regional offices throughout the country.

Ms. Kim has over 15 years of experience in advocacy, including working as State director for the New Jersey Public Interest Research Group, program director for Everybody Votes, and deputy national organizing director for Biden for President.

Ms. Kim holds a bachelor of arts in history from the University of Michigan and a master of public administration from Columbia University.

Ms. Kim, thank you for joining us today, and I am looking forward to today's important conversation.

You are now recognized for 5 minutes.

STATEMENT OF MS. JENNIFER KIM, ASSOCIATE ADMINISTRATOR, OFFICE OF FIELD OPERATIONS, U.S. SMALL BUSINESS ADMINISTRATION

Ms. KIM. Thank you, Chairwoman.

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

I assumed the position of Associate Administrator for the Office of Field Operations with a background in field organizing and managing field offices. For nearly two decades, I have worked to advance the public interest in a variety of nonprofit and political roles, operating at the local, State, and national level.

Throughout my career, I have worked with stakeholders spanning the ideological spectrum, from small business groups to the AARP. For example, during my time directing the New Jersey Public Interest Research Group, I worked to bring down the high cost

of energy, protect communities from toxic chemicals, and improve access to healthcare.

In March of 2022, I was appointed to my current position as Associate Administrator of the Office of Field Operations. In this role, I oversee 650 staff across our 10 regional and 68 district offices, and this team works tirelessly every day to connect small businesses to SBA resources.

Most recently, SBA helped enroll more than 167,000 COVID-19 EIDL borrowers in the Hardship Accommodation Program to become current on their loan payments and assisted more than 33,000 borrowers in securing full or partial PPP forgiveness, thanks in large part due to the outreach and support provided by the district offices.

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, small businesses have an invaluable resource in their communities by way of their dedicated and hardworking district office staff.

Turning to the focus of today's hearing, I welcome the opportunity to share more about SBA's work to implement the executive order to promote access to voter registration and voting information for all eligible Americans.

In 2021, President Biden issued this executive order asking federal agencies to consider ways to ensure all eligible citizens can freely participate in the electoral process.

And supporting voter registration has long had bipartisan consensus in Congress. In the National Voter Registration Act of 1993, also known as the NVRA, Congress found that, quote, "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," end quote.

The NVRA required certain State agencies to provide non-partisan voter registration opportunities, including at your local DMV, and expressly authorized the State to request that federal agencies accept designation to provide similar nonpartisan voter registration assistance.

SBA's intent to implement this executive order has been public for several years. SBA informed the House Committee more than 2 years ago that we planned to partner with the State of Michigan.

And when I arrived in 2022, the Office of Field Operations and Office of General Counsel were already coordinating with the Michigan Department of State, MDOS, to finalize operational and legal details.

In March of this year, SBA announced that we had completed a memorandum of understanding with MDOS.

SBA has been transparent in responding to the Committee's requests for information from the outset. Administrator Guzman testified about this initiative in March and in a previous hearing. SBA has written four formal responses to Chairman Williams on this issue, including sharing the MOU and emails between SBA officials in the State of Michigan.

And on May 3, earlier this year, I briefed the Committee staff regarding the MOU, detailing the ways in which SBA intends to participate.

As previously communicated, SBA's involvement is limited to the following.

Number one, a 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.

And two, small business events. SBA may invite Michigan Department of State personnel to register voters at small business resource fairs or similar events. They have not yet joined any SBA events to do so.

The MOU is also very clear about the agency's participation in the safeguards that prevent SBA employees from partisan activity. Section X of the MOU includes the following: Makes clear that SBA employees are prohibited from seeking to influence an applicant's political preference, displaying any political preference or party allegiance.

And 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 democracy.

Congress authorized and encouraged this important work more than 30 years ago through the NVRA, and SBA is proud to do its part.

I thank the Committee for your partnership with our district offices, and I look forward to answering your questions.

Chairwoman VAN DUYNE. Great. Thank you very much.

The Chair now recognizes Chairman Williams for 5 minutes for his opening statement.

Mr. WILLIAMS. Good morning and thank you for being here today. I want to thank my fellow Texan, Chairman Van Duyne, for holding today's Subcommittee on Oversight and Investigations hearing on the SBA's electioneering efforts.

To start off, I would like to thank Ms. Kim for joining us again, and our Members have a lot of questions regarding the SBA's activities and appreciate you coming before us to give us the answers we have been seeking.

Now, to put this simply, the SBA's voter registration scheme is a serious problem that is made even worse by the fact that we are heading into a Presidential election.

Now, while Main Street America is facing a whole host of problems, it is extremely problematic that the SBA spent over a year drafting this agreement to register voters in Democrat strongholds. Now, it is truly unfortunate to feel a federal agency blatantly lose interest in their core mission to focus on an upcoming election.

The Committee has been investigating these electioneering efforts for some time now, and the SBA has stonewalled us at every single turn.

To Ms. Kim, I would like to let you know we would rather work with you than against you, but it is a two-way street. You are the individual that signed the MOU with the State of Michigan and, therefore, you are the individual that must answer for it. So I sincerely hope that you can answer our questions today.

We have a duty to taxpayers to bring transparency to this issue, and we intend to fulfill that obligation. So I look forward to today's conversations.

And I yield my time back.

Chairwoman VAN DUYNE. Thank you very much.

We will now move to the Member questions under the 5-minute rule, and I recognize myself for 5 minutes.

Ms. KIM, are you aware of the memorandum of understanding between the Michigan Department of State and the SBA?

Ms. KIM. Yes, I am aware of the MOU.

Chairwoman VAN DUYNE. And you read it?

Ms. KIM. Yes.

Chairwoman VAN DUYNE. Did you help negotiate it?

Ms. KIM. I didn't—I am not a lawyer, so I did not negotiate the legal details, but I did—

Chairwoman VAN DUYNE. No, but did you negotiate the pulp of the MOU?

Ms. KIM. I weighed in on recommending that we utilize the website to primarily be the way that we refer people to voter registration.

Chairwoman VAN DUYNE. Okay. And then—and you signed it?

Ms. KIM. Yes, I did.

Chairwoman VAN DUYNE. So are you in charge of implementing the MOU?

Ms. KIM. Yes, the Office of Field Operations is, which is the department that I oversee.

Chairwoman VAN DUYNE. Okay. So what is the effective date of the MOU?

Ms. KIM. I will admit I can't remember the exact date, but I believe we signed it in mid-March.

Chairwoman VAN DUYNE. So to be clear, it is in effect right now?

Ms. KIM. Yes, the MOU has been completed.

Chairwoman VAN DUYNE. Because when the Administrator was here, my friends on the other side of the aisle insisted that this MOU was not in effect. But that isn't true because it was in effect the day that you signed it.

Ms. KIM. It is in effect, but we haven't actually done any of the activities that are included in the MOU yet.

Chairwoman VAN DUYNE. So you don't have a—it wasn't required that you had a unique URL to actually register voters?

Ms. KIM. The website does exist. We haven't put it anywhere yet.

Chairwoman VAN DUYNE. But the website is up and running?

Ms. KIM. Well, it is just a link to the Michigan voter registration website, which is our URL.

Chairwoman VAN DUYNE. So it is live there right now, the link?

Ms. KIM. The link exists. We, SBA, have not posted that link anywhere for anybody to see.

Chairwoman VAN DUYNE. So it is not on your website right now for us to be able to find it?

Ms. KIM. No.

Chairwoman VAN DUYNE. So if you go right now to michigan.gov/ussba, you can't find it?

Ms. KIM. That link is the link that we are going to post on our website, but we haven't posted that link anywhere yet.

Chairwoman VAN DUYNE. But the link right now is live?

Ms. KIM. The link, yeah, the link is there.

Chairwoman VAN DUYNE. So have you registered any voters through there?

Ms. KIM. No.

Chairwoman VAN DUYNE. Okay. So when do you expect voters to be able to use the URL?

Ms. KIM. Hopefully soon, Congresswoman.

Chairwoman VAN DUYNE. You don't know that?

Ms. KIM. Oh, we are working on implementing it, all parts of the MOU. So hopefully we will give you an update when the link is up.

Chairwoman VAN DUYNE. Okay. So according to the MOU, when was the link supposed to be up?

Ms. KIM. We didn't put a date in the MOU for when the link would go live. So there wasn't a specific date mentioned.

Chairwoman VAN DUYNE. So the MOU states that the Michigan Department of State will provide SBA weekly updates. Are you getting those updates?

Ms. KIM. No. Since we haven't started using the website, there is no updates to be—

Chairwoman VAN DUYNE. So the MOU went into effect March 18 when you signed it, but even if—according to the agreement, you were supposed to be getting updates, but you haven't gotten any updates?

Ms. KIM. Well, the updates are associated to the website, which, as I said, we haven't put anywhere yet.

Chairwoman VAN DUYNE. So it has been March, and it is now April, May, June, July. So what are you all waiting on?

Ms. KIM. I wouldn't say we are waiting, Chairwoman. We are just doing regular course of business. And it is an important issue for us, but it is not our top priority. So it is not something that I am looking at every day.

Chairwoman VAN DUYNE. So what plans of actions does the SBA actually plan to implement the MOU?

Ms. KIM. You know, I think our strategy with the MOU is actually working to just incorporate the link and activities that we would already be doing on a regular business day at the SBA.

So the idea would be that we would put the link on our Michigan district office website. So if you are going to look for resources in Michigan, it would be there, and you could choose to go to it or not. And then—

Chairwoman VAN DUYNE. So all this is just creating a link and sticking it on the website? That is all you all are doing?

Ms. KIM. That, and we can invite the Michigan Department of State staff to come table at our events. Many members of the community—

Chairwoman VAN DUYNE. Okay. So it is more than just the URL. It is also having folks come to events. Okay.

Ms. KIM. Yes. So I am sure you are familiar with we do any number of small business resource fairs, matchmaking events,

other activities where we invite resource partners and other local, State, and federal government partners to come table. So it would be basically the same thing. The Michigan Department of State would be welcome to table at those events.

Chairwoman VAN DUYNE. Gotcha. Okay.

So this Committee has been requesting documents related to this MOU since March 20 when the Administrator was testifying before this Committee, and since then, we have sent four letters reiterating our request for documents, yet the SBA has failed to substantially produce documents.

The first letter was sent on April 4 requesting documents by April 18. The SBA didn't send any documents by the deadline.

The second letter was sent on April 18 requesting interviews with two SBA officials related to this investigation. The SBA failed to make them available and forced us to issue subpoenas for their testimony.

The third letter was sent on May 16, and this time the Senate signed on as well, requested documents by May 30, and, to date, we have not received any of those documents.

The fourth letter was just sent last Monday, on July 15, which reiterated all of our outstanding requests. The deadline for that request is Monday, 5 days from now. Will we be able to get the documents by then?

Ms. KIM. My job is to oversee field offices. I don't deal with the document requests. I know that I—document requests have been made of me, and I have submitted them to the team that is working hard to prepare them for the Committee.

Chairwoman VAN DUYNE. So you have submitted them. They just have not forwarded them to us, but you have been in full compliance with responding?

Ms. KIM. I reviewed about 200 pages of my own documents that I sent over to the Committee. I understand there is thousands more pages that they are reviewing.

Chairwoman VAN DUYNE. You sent them to the Committee or you sent them—

Ms. KIM. Oh, excuse me, to our staff that is working to prepare them for the Committee.

Chairwoman VAN DUYNE. Okay. So the staff actually has the documents, they just haven't sent them to us.

Ms. KIM. Well, they have mine. I don't know about the others.

Chairwoman VAN DUYNE. Okay.

So it just leads to the question, like, what is going on at the SBA that we haven't received—especially if you have done your job and you have sent over the documents—why we haven't gotten them yet?

Ms. KIM. Oh, well, as I said, I am not in charge of getting the documents to the Committee, but I would be happy to check with them—

Chairwoman VAN DUYNE. Okay.

Ms. KIM.—and have them do an update.

Chairwoman VAN DUYNE. We are just curious what is going on because we have had a number—we have had the Administrator, we have had the Deputy Administrator, we have had you, and no-

body can seem to answer the question. It is always somebody else that is supposed to get us the documents.

Ms. KIM. Well, I am happy to answer any questions while I am here, Chairwoman, yeah.

Chairwoman VAN DUYNE. So the Chairman, along with the Michigan delegation, sent a letter to the Michigan secretary of state requesting documents about their involvement in this MOU, and they responded a day early with more than 200 pages of requested communications. I am just curious what the delay was, but you don't know the answer to that.

Ms. KIM. Sorry. No, I don't.

Chairwoman VAN DUYNE. All right.

Well, my time is up. So I now recognize the Ranking Member for 5 minutes of questions.

Mr. THANEDAR. Thank you, Chairwoman.

And thank you, Ms. Kim, for being here and for your testimony.

Let's begin by sifting through the partisan rhetoric and focus on the facts.

Under the National Voter Registration Act of 1993, State governments may designate additional agencies and offices, including federal and nongovernmental offices, as voter registration agencies. Is that correct?

Ms. KIM. Yes.

Mr. THANEDAR. Okay.

On March 7, 2021, President Biden signed an executive order directing federal agencies to evaluate ways to encourage voter registration. And pursuant to that order, SBA signed an MOU with the Department of State to promote voter registration in Michigan.

Is that correct?

Ms. KIM. Yes, I believe so.

Mr. THANEDAR. What activities are allowed under this agreement?

Ms. KIM. I believe it designates what we are doing to implement the executive order, which is working with States to get designation as voter registration agencies.

Mr. THANEDAR. Will SBA employees be conducting these voter registration efforts?

Ms. KIM. They will be referring people to the voter registration website and working with Michigan Department of State staff.

Mr. THANEDAR. Does the MOU comply with the National Voter Registration Act and ensure all activities will be nonpartisan?

Ms. KIM. Yes. We are running a nonpartisan voter registration.

Mr. THANEDAR. Okay.

What will be the cost of these activities?

Ms. KIM. There is no additional costs. We are not hiring any additional staff or anything like that. Again, we are just trying to incorporate it into things that we are already doing, like referring people to any number of resource websites.

Mr. THANEDAR. So let's be clear. Despite the rhetoric you are hearing today, the Biden administration is not violating the laws and SBA is not misusing taxpayer dollars. Is that correct?

Ms. KIM. That is correct.

Mr. THANEDAR. Okay.

Now, over the course of the past few months, false claims have been made that SBA has deviated from its mission and is choosing to devote taxpayer dollars to registering voters in a battleground State rather than helping small businesses survive this difficult economic climate. Is there any truth to that statement?

Ms. KIM. Our core mission to help support small businesses remains the same, and this program is just offering another resource to small business owners.

Mr. THANEDAR. And it looks like it doesn't take much of your time.

Ms. KIM. The actual program, no, it doesn't.

Mr. THANEDAR. All right. Thank you.

And can you share what SBA has accomplished through its field staff operations to help small businesses throughout the country? And tell us more about the number of small businesses you are reaching.

Ms. KIM. Thank you for the question.

You know, I think the field offices—obviously, it is my job to work with them—but I think they are one of the most valuable resources that we have in federal government. I think their value was never more obvious during the pandemic when they really rose to the occasion to assist millions of small businesses across the country, and they asked for no credit for that.

But they worked extra hours. They were answering phone calls at 11 o'clock at night, midnight, working on the weekends, really helping desperate small businesses, and I know working in coordination with many of the offices here. And every day they work really tirelessly, and I feel very proud and fortunate to work with them at this agency.

Mr. THANEDAR. Thank you. Thank you, Ms. Kim.

And despite efforts by my Democratic colleagues to set the record straight at the last hearing and make clear the MOU had not been implemented, Ms. Van Duyne dismissed those efforts and announced the URL link publicly.

Did you share this link with the Committee staff during a bipartisan briefing and let them know that it was not on SBA's website?

Ms. KIM. Yes, I briefed the Committee with that information and offered the URL so they could look at it themselves.

Mr. THANEDAR. Okay. Therefore, no one visiting SBA's website could have used it, correct?

Ms. KIM. Internally, there was a set of staff that had it. Obviously, we are working to implement it. But, again, we haven't posted it publicly anywhere yet.

Mr. THANEDAR. So the public could not have used it?

Ms. KIM. Correct, not until then.

Mr. THANEDAR. Interestingly, after Chairwoman Van Duyne published the link, it was visited 190 times with only 8 visits, at most, from Michigan. Clearly, the Republicans are doing more to raise awareness about the voter registration opportunities than SBA, it looks like. Is that true?

Ms. KIM. Yes. I have heard there was a spike in traffic after the Chairwoman announced the website.

Mr. THANEDAR. So it looks like not much time is spent by the employees. The link is not on the website. You continue to serve

the small businesses. We have more small businesses opening up than ever before under this administration. Is that not true?

Ms. KIM. Yes, there has been record small business growth under this administration. That is correct.

Mr. THANEDAR. Thank you so much.

My time is up, and I yield back.

Chairwoman VAN DUYNE. Thank you.

I now recognize Representative Alford from Missouri for 5 minutes.

Mr. ALFORD. Well, thank you, Madam Chair, for holding this important hearing today.

And thank you, Ranking Member Thanedar, as well.

The Small Business Administration was created in 1953 by President Eisenhower with the mission 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.

However, the Biden-Harris administration is not satisfied with using this agency for its statutory purpose. Instead, through a series of executive overreach, they have attempted to turn the SBA into an adjunct campaign headquarters.

[Chart.]

We have a chart here I want to show you. This chart shows a timeline of how the Biden-Harris administration has illegally used the SBA to register voters in the key swing State of Michigan.

In March of 2021, President Biden signed the Executive Order 140-19, the Executive Order on Promoting Access to Voting. This EO directed the federal government to use all of its resources to work to register Democrat voters.

In December of 2021, the SBA reached out to the Michigan Department of State to enter into negotiations to work together on voter registration.

In April of 2022, the SBA hired Jennifer Kim, a career progressive Democrat campaign hand, as Associate Administrator for Outreach.

Finally, in March of 2024, the SBA and Michigan secretary of state announced their memorandum of understanding on voter registration.

To be quite frank, I am disgusted by the fact that this SBA has used our taxpayer dollars to become an adjunct arm of the Democrat National Committee.

It is abhorrent behavior that not only runs contrary to the mission of the SBA but is an illegal misuse of taxpayer money and a direct slap in the face to the hardworking small business owners across this great nation, including the Fourth Congressional District of the great State of Missouri.

The SBA needs to return to its core mission of being the voice of small business. Main street is desperate for a champion, Ms. Kim, not for the SBA to become the DNC.

Our next chart, please.

[Chart.]

Associate Administrator Kim, this graphic shows where you were working during every Presidential election since you joined the workforce.

In 2008, you were the organizing director at Fair Share, Inc., a left-wing nonprofit that works to elect Democrats in Ohio.

In 2012, you were the Colorado State director at the Community Voters Project, a Democrat voter registration nonprofit in Colorado.

In 2016, you were the pod lead deputy training director at the Hillary for America in Florida.

In 2020, you were deputy national organizing director at Biden for President.

Ms. Kim, you are now Associate Administrator, Associate Administrator for the Small Business Administration. It is certainly interesting that this will be the first time in your adult life that you will ostensibly not be working to elect a Democrat nominee in a swing State.

Associate Administrator Kim, can you please share with the Committee how 15 years of campaigning to elect Democrats gives you the experience necessary to be an Associate Administrator at the SBA? How did you get this job? Have you ever owned a small business in your life?

Ms. KIM. Well, I appreciate the opportunity to share my background, Congressman, and if you had asked, I would have sent you a better picture.

But I actually spent most of my career working on nonpartisan campaigns. So for—

Mr. ALFORD. But you have never owned a small business?

Ms. KIM. I have worked in a small business. I have never owned a small business.

Mr. ALFORD. I don't think you are qualified to have this job.

Looking at your career timeline and trajectory, it is clear that your entire life is dedicated to furthering the mission of the Democrat Party.

How could anyone possibly believe that you are faithfully carrying out the mission of the SBA?

Ms. KIM. My job is to oversee the field offices. So I have over 18 years of experience running field offices, the majority of which are actually running nonpartisan campaigns.

Mr. ALFORD. Under oath, Ms. Kim, can you honestly attest that you are not using your role at the SBA to engage in electioneering or to register voters for the Democrat Party?

Ms. KIM. I am definitely not using my position for electioneering. That would be inaccurate, sir.

Mr. ALFORD. Well, I would say this. This is disgusting to the American people. We have caught you guys red-handed. I don't think you are qualified to be dogcatcher. I was happy to submit an amendment to the Financial Services and General Governance appropriation bill to change your salary to \$1 under the Holman rule.

Associate Administrator Kim, I am disappointed in you. I am disappointed in the SBA. Let's get back to Main Street America.

And thank you. I yield back.

Chairwoman VAN DUYNE. Thank you.

I now recognize Representative Scholten from Michigan for 5 minutes.

Ms. SCHOLTEN. Thank you so much, Madam Chair.

Thank you to our Ranking Member.

And thank you so much, Ms. Kim, for being here today.

When I first heard about this hearing, I got really excited, because I thought we were maybe going to have an oversight hearing about why it is taking the SBA so long to comply with the VRA, not to put you on the hot seat for another reason.

But can you provide the legal authority for why the SBA might have engaged in this MOU?

Ms. KIM. Thank you for the question, Congresswoman.

I believe Congress gave us the authority in the 1993 National Voter Registration Act.

Ms. SCHOLTEN. Thank you. Thank you so much.

And I want to clarify a couple points as well. Some of your actions have been characterized as stonewalling, blockading. We sat through a previous hearing where we had a number of witnesses; none of them, unfortunately, were from the SBA. I am glad you are here today to provide some answers. I think that is really important.

Obviously, if the SBA were pivoting its entire mission to electioneering, that would be of deep, deep concern.

So my first question is, were you invited to the past hearing?

Ms. KIM. No, I was not.

Ms. SCHOLTEN. You were not invited to testify to the last hearing?

Ms. KIM. No.

Ms. SCHOLTEN. And you are here today under a subpoena or—

Ms. KIM. No. I am a regular—

Ms. SCHOLTEN. You voluntarily came—

Ms. KIM. Yes.

Ms. SCHOLTEN.—when you were asked the first time.

Ms. KIM. Yes.

Ms. SCHOLTEN. You just came on your own. Oh, that is wonderful. Thank you so much for your willingness to show up today.

There was some prior confusion as well about how active this MOU is. We understand it has been signed, but have actions such as publishing and making the website active happened yet?

Ms. KIM. No. That is correct. The MOU has been signed, but we have not published the website anywhere yet.

Ms. SCHOLTEN. Okay. So I heard Ms. Van Duyne clarifying some of that as well.

And it has taken 6 months, is that right, since—I think she counted it out. It has been 6 months—

Ms. KIM. Yes.

Ms. SCHOLTEN.—since it was signed.

So would you say, given that 6-month timeline, it is accurate to say that the SBA has completely diverted its mission now to—it doesn't take 6 months to get a website up and running, does it?

Ms. KIM. No. That is correct.

Ms. SCHOLTEN. And why do you think it has taken so long? What else have you been working on?

Ms. KIM. Well, we have just been doing our regular course of business, everything in my department anyway, to help support the field offices, whether it is helping them with their budgets or outreach activity.

So it is something we are working on. We hope to have it completed soon. But as I said, it is not something we are working on every day.

Ms. SCHOLTEN. Yeah. So giving you another opportunity to say even just a little bit more about some of the things you have been working on in those critical 6 months.

Your job is as a field administrator, right? You oversee the field offices.

Ms. KIM. Uh-huh.

Ms. SCHOLTEN. So going out into the field, talking to people. Is that only in the State of Michigan?

Ms. KIM. No. We have 68 district offices all over the country.

Ms. SCHOLTEN. Okay. Excellent.

And I want to give you an opportunity just to share a little bit more about your background and experience, having worked in a small business before, and also the work that you do in particular is very unique to the office.

Talk a little bit about how some of your background in those non-partisan campaigns doing field organizing has prepared you to do the work of field equipment for the SBA.

Ms. KIM. Yes. Thank you.

Yeah, I started working on local campaigns, which mostly meant that I was working in local communities, working to build relationships with stakeholders, both government and non, and eventually kind of managed statewide organizing programs, and then nationally managed field offices across the country.

So that is my job. And I actually find the similarities between some of the issue campaigns that I worked on and the challenges of the field there refreshingly similar to the challenges of the field offices now. There is a lot of similar, "Oh, we are not getting the information from headquarters fast enough," or, "We didn't get the coordination right," or, "We need more budget in our offices," things like that.

So my experience is largely in that and also in outreach, which is really one of the primary roles of the field offices, is to reach as many small businesses in their communities as possible.

Ms. SCHOLTEN. One of the things I hear from small business owners across west Michigan is that they know, in theory, that there are a lot of great opportunities out there, but they lack that sort of connection between themselves and the larger SBA headquarters.

We know that field offices and under your leadership have continued to make that critical connection out in the field, and the data speaks for itself. Small businesses have continued to grow exponentially in the last 4 years.

And it is clear that your leadership has not been completely diverted to electioneering but is doing the critical work of organizing in the field that we need.

Chairwoman VAN DUYNE. The lady's time has expired.

Ms. SCHOLTEN. Thank you.

Chairwoman VAN DUYNE. So votes have been called, and the Committee stands in recess subject to the call of the Chair.

[Recess.]

Chairwoman VAN DUYNE. The Committee will now come to order. We will continue questions under the 5-minute rule.

And the Chair now recognizes Representative Crane from the great State of Arizona for 5 minutes.

Mr. CRANE. Thank you so much for holding this hearing today. Appreciate you coming by, Ms. Kim.

Your bio on the SBA website says that you started your career as a stakeholder engagement specialist serving as a campus organizer and that you promoted renewable energy standards, affordable higher education and healthcare and toxic-free communities.

As a former small business owner, I am not sure how someone with that background would have any understanding of the needs of small businesses.

Your bio also mentions that you have dedicated many years to increasing voter registration in communities of color, as well as promoting youth civic engagement.

When you were appointed to the SBA by President Biden in 2022, what experience did you have assisting small businesses?

Ms. KIM. Thanks for the question, Congressman.

So my background and my job is running field offices. In my experience running field offices and field campaigns, I have worked with many small business owners on many of the issues that you mentioned, and I have also worked with small business—sorry, worked in small businesses as well.

Also, as part of my background, as was mentioned, I have a master's in public administration, which is a program that is specifically designed to support people that are managing policy and programs in federal, state, and local government, which is something that I do as part of my job.

Mr. CRANE. Okay. How is your background in voter registration efforts helpful to small business owners?

Ms. KIM. When I did voter registration work, I was running field offices that were doing voter registration. So my job is to manage the field offices now. So there are a lot of similarities, actually, in making sure that the offices have the support that they need to do the outreach.

Essentially, the field offices, their job is to serve small businesses, and my job is to make sure the field offices have what they need to do that.

Mr. CRANE. Okay. So just to summarize, you have no experience applicable to small business, but you do have a background in voter outreach, and you were an organizer for President Biden's 2020 campaign. Is that correct?

Ms. KIM. I did work on President Biden's campaign. As I said, I have worked with small businesses, and my background in the field I think is why I was hired to manage the field offices.

Mr. CRANE. Why did you decide on Michigan for this voter registration MOU?

Ms. KIM. I started at the agency in 2022, and the work and the partnership with the State of Michigan already had begun before I got here.

Mr. CRANE. Okay. But you guys are clearly aware that Michigan is a swing State, right, in this upcoming election?

Ms. KIM. Swing State isn't something we take into consideration in our work. But, yes, I am aware that Michigan is a swing State.

Mr. CRANE. I highly doubt that.

All right. You and others at the SBA have stated that this MOU will be implemented in a nonpartisan manner. Is it likely that you will keep your job if a Republican administration is elected?

Ms. KIM. Since I am a political appointee of this administration, probably not.

Mr. CRANE. Okay.

Have you had any events at all, any cities, counties that have a majority of Republican voters? And if so, can you provide those for the Committee?

Ms. KIM. Have we had any events in any cities that have a Republican majority?

Mr. CRANE. Republican majority, that have a majority of Republican voters.

Ms. KIM. I mean, we hold events all over the country in all of our 68 districts, so I would assume yes.

Mr. CRANE. Can you provide us with or can you even give us one county or city that has a larger population of Republican voters?

Ms. KIM. Again, I don't keep track of every single individual event that we do.

Mr. CRANE. I am not asking you to keep track of every single—

Ms. KIM. Yeah.

Mr. CRANE. I am asking you, can you give us one? Because clearly you understand what our concern is.

Our concern is that what you guys are doing is that you guys are going out under the umbrella of the SBA, and then you are bringing in State officials to register voters in Democrat-run cities and counties. That is, obviously, what is going on here.

So can you even give us one example of a city or a county in which you guys are even trying to make it look like that this is bipartisan and you guys don't really care about the demographic?

Ms. KIM. Again, we run programs everywhere. I know, for example, we are running a T.H.R.I.V.E. program, which is one of our small business programs, in Lebanon County, which is in Congressman Meuser's district.

Mr. CRANE. Okay. What is the registration there? Do you know?

Ms. KIM. No, I don't track registration rates as part of my job.

Mr. CRANE. Okay.

All right. Thank you. I yield back.

Chairwoman VAN DUYNE. Thank you very much.

The Chair now recognizes Representative Meuser from Pennsylvania for 5 minutes.

Mr. MEUSER. Thank you, Madam Chairwoman.

So thank you for being with us, Ms. Kim.

So you have extensive background in voter registration. It is even on the website that that is mainly what you have done. You have engaged in grass roots on campuses. You have worked for Clinton. You have worked for Senator Booker, the Biden campaign, as an organizer.

You came on board with minimal small business background, if any. You created an MOU to register voters in the State of Michigan. A fellow by the name of Tyler Robinson admitted it on video, on camera, on audio.

Arthur Plews, when asked about this, decided to lawyer up, and we needed to basically get a subpoena for him to answer some questions.

The Administrator did not provide the correspondence I asked for, kind of went into hiding, and has spent twice as much time in Michigan as any other State.

So this is why we think and believe that you are involved in voter registration, because you have created the plan to do it. And then you say: Well, I created the plan but I never executed the plan. And you said that you haven't used resources.

How many resources and time did you—and I am not sure what is so funny, but that is okay.

How much time did you spend developing the plan that apparently was never facilitated?

Ms. KIM. Thanks for your question.

Sorry. I wasn't laughing. There is a photographer—

Mr. MEUSER. I don't care.

Ms. KIM.—that just shot up in front of me, so I was a little startled.

To answer your question about the time developing the plan, so, again, the work on the implementation of the executive order had started before I got to the agency. It started in 2021. I started in March of 2022, so it just continued.

I, as mentioned previously, it is not something I work on every day. I did because of my voter—

Mr. MEUSER. All right. So you spent a lot of time working on the plan, not necessarily executing it, on the taxpayers' dollars. So you are working on voter registration initiatives that you claim you have not executed, but you have spent taxpayer dollars doing so.

Okay. How much time do you spend in Michigan?

Ms. KIM. Me personally?

Mr. MEUSER. Yeah.

Ms. KIM. I visited the district office once in Michigan since I started on this job.

Mr. MEUSER. Just once?

Ms. KIM. Yes.

Mr. MEUSER. Okay. Can we get a calendar? Do you provide a calendar, we can take a look at it and see where you spend your time?

Because we are very fearful that, as we have oversight, that taxpayer dollars are being misused and are being used, we think potentially illegally, to register voters, whether it is Democrat or Republican. It is entirely wrong, and we are going to do our best to get to the bottom of it.

So along with yourself, how many others in the SBA have you talked with as you are developing the plan for voter registration? How many others have you been training as you visit the various SBA sites?

Ms. KIM. Well, we haven't trained anybody on this initiative yet, so—

Mr. MEUSER. Completely solo? Just completely on your own?

Ms. KIM. We—

Mr. MEUSER. Do you have an assistant?

Ms. KIM. We haven't trained anybody yet because we haven't implemented the MOU, although the MOU is completed. So—

Mr. MEUSER. Not just the MOU.

Look, you are 1 of 12 Associate Administrators out of 2,822 people. You have a very high-level position at the SBA. You must have an assistant. You must have someone that helps you put this and organize all of this.

Ms. KIM. The work of crafting the MOU—

Mr. MEUSER. How many people report to you?

Ms. KIM. Around 650.

Mr. MEUSER. Okay. Direct reports, 650?

Ms. KIM. Oh, not all directly reporting to me, no.

Mr. MEUSER. Well, that is what I asked.

Ms. KIM. Oh. Well, there is about 12, I guess.

Mr. MEUSER. So you just showed us how little you know about business. You said 650 people report to you. That is just sophomoric at best. And it is just a shame that the dollars are being used in this manner, and it is unacceptable. It is absolutely unacceptable.

And you know it. Okay? Maybe that is why the smile is there, because you know it.

What was the purpose of the MOU?

Ms. KIM. The MOU is to implement the executive order and to form a partnership with the State of Michigan so that we could provide a website to small business owners who choose to register to vote and invite Michigan Department of State staff to our table events.

Mr. MEUSER. Okay. Is that anywhere within the scope of the SBA to set up a link for businesses—of your choice, by the way. And, who knows, maybe a business that is trying to get a loan from the SBA and says, "Hmm, they are part of the Biden administration. They are Democrats. Maybe it would be a good idea for me to register and vote as a Democrat so I can get that loan."

Do you understand how insidious this looks, and perhaps is, and we believe is?

I yield back, Chairwoman.

Chairwoman VAN DUYNE. Thank you very much.

The Chair now recognizes Representative McClain from Michigan from 5 minutes.

Mrs. MCCLAIN. Thank you for being here, Ms. Kim. I appreciate it.

I am from the great State of Michigan and many of our—my constituents are very concerned with transparency and integrity with the State of Michigan.

Real quickly, what is the mission of the SBA? What is your mission statement?

Ms. KIM. We are here to support small businesses, ma'am.

Mrs. MCCLAIN. Here to support small businesses. Wonderful.

Have you, yourself, ever ran a small business, owned a small business?

Ms. KIM. I have worked in small businesses. I have not owned a small business.

Mrs. MCCLAIN. Okay. Thank you.

And what qualifications do you have, I was a little vague on that, as a small business owner?

Ms. KIM. Well, my job is to oversee our 10 regional and 68 district offices, and I have overseen field offices for the majority of my career.

Mrs. MCCLAIN. How does that correlate with running and helping people get a small business loan?

Ms. KIM. Well, my job is to support the field offices. My job is not to run a small business.

Mrs. MCCLAIN. Obviously. Obviously.

Ms. KIM. Yeah.

Mrs. MCCLAIN. Do you think it would be helpful if you ran a small business to understand what it is like? I mean, I am not a doctor, nor do I play one on TV, but I don't fake it.

Ms. KIM. Well, I did work in a small business for 4 years, Congresswoman.

Mrs. MCCLAIN. Okay.

Ms. KIM. And I think it was a small business run by a family, a family-owned business, and I definitely got a lot of experience—

Mrs. MCCLAIN. So that qualifies you to be in charge?

Ms. KIM. I think it is my 18 years of running field offices that qualifies me to run the field offices.

Mrs. MCCLAIN. I would agree with you. Running the field offices is fantastic, very similar to running the field office for voter registrations.

So I want to pick up on one other thing. Is there anywhere in the SBA's mission that talks about voter registration being part of that mission?

Ms. KIM. Not specifically, no.

Mrs. MCCLAIN. Not specifically. Thank you.

Well, my colleague, Eli Crane asked you a question about where the programs were run past, right? And I think, if I can quote, "We ran programs everywhere." Was that your answer?

Ms. KIM. I can't remember exactly what I said, but I think I indicated we run programs across all of our 68 districts. Yeah.

Mrs. MCCLAIN. Okay. Can we take a look at Michigan, since this is what we are talking about?

Okay. Just—these are facts. So since you don't know where they are at, I happen to.

[Map.]

These are the programs that have been run by the SBA in Michigan, right? I don't know if you can see that. But all of these programs here have been run in Michigan, southeastern, lower. You see these? Make sense?

Ms. KIM. Well, I can't exactly see it, but I was, I believe, shown this map when I briefed the Committee staff in May.

Mrs. MCCLAIN. Okay. Any idea what demographic, political party-wise, these represent?

Ms. KIM. I am not tracking that. And I am not clear if I—

Mrs. MCCLAIN. I am, so let me help you. They are Democrat, right?

Interestingly enough, how many—just out of curiosity—in the non-Democratic regions in the State of Michigan that you have actually done, how many Republican areas of your department, how many events have you run to open small businesses in non-Democratic areas?

Ms. KIM. Well, there are a couple of things I would offer to answer that question. One is that—

Mrs. MCCLAIN. I am looking for a number in Michigan, and if you don't know it, I will accept an "I don't know."

Ms. KIM. Well, I clarified with the Committee staff that those events on that map are not all SBA-run events, I think. I am not sure because I didn't see the list from where the Committee got them from.

Mrs. MCCLAIN. Well, here is the beauty of it. I realize you are not sure. The beauty of it is I am actually sure. So let me help you, right?

As a small business owner, that when I come to testify, I would think you would know your data, but, again, that is crazy.

Notice any in this region up here?

Ms. KIM. I cannot see the map that clearly, but I don't see it, but—

Mrs. MCCLAIN. Maybe I can help.

Ms. KIM. Yeah.

Mrs. MCCLAIN. See this green thing here? Can you see green?

Ms. KIM. I see green, yes.

Mrs. MCCLAIN. Bingo. That is one. One Republican area. One. Isn't that ironic to you, or is that just coincidental?

Ms. KIM. I don't manage where the district offices do their events specifically. District directors have the leeway—

Mrs. MCCLAIN. What do you manage? Voter registration in Democratic areas?

Ms. KIM. We are, as part of implementing the executive order, implementing a nonpartisan resource for small businesses.

Mrs. MCCLAIN. You know what I call? You know it is not nonpartisan because if it—does this look nonpartisan to you? Just share with me, does that look nonpartisan? Democrat. Republican.

Now, I understand data because I have run a small business. Does that look nonpartisan to you?

Ms. KIM. Again, I think I tried to clarify with the Committee—

Mrs. MCCLAIN. I am asking a question.

Ms. KIM.—that does not actually represent all of the SBA's work.

Mrs. MCCLAIN. Does this look nonpartisan to you? You are a smart woman. I mean, my goodness gracious.

Dan, what is she in charge of, 600 people?

I think you can answer a question. Does this look nonpartisan to you?

Ms. KIM. Again, I don't think that map represents all of SBA's activities in the State of Michigan.

Mrs. MCCLAIN. Okay, then I will accept your map. Do you have one?

Ms. KIM. No, I didn't come with a map.

Mrs. MCCLAIN. Oh, no, I don't.

I yield back. Thank you.

Chairwoman VAN DUYNE. The Chair now recognizes Chairman Williams from Texas for 5 minutes.

Mr. WILLIAMS. Thank you, Madam Chair.

And let me just say this. We keep hearing the SBA is going to be implementing this agreement in a nonpartisan way. We just heard that. But that is simply not true.

The Administrator chooses where to go and which event to promote to the American people. And, therefore, if you want to avoid registering Republicans, you don't go where they are located, as we just saw on the map. You don't do any press on it. You don't invite the Michigan Secretary of State's Office to set up a table to register voters.

There are still a lot of unanswered questions in here, and we aren't going to stop looking at this until we start to receive some real answers, which Representative McClain just tried to get from you.

But with that said, let me yield back the rest of my time to Chairwoman Van Duyne.

Chairwoman VAN DUYNE. Thank you very much, Mr. Chairman.

Let me be clear. The reason why we are continuing to push this investigation is because the SBA has stonewalled us at every turn.

You briefed the Committee on May 3 but shut down more questions than you provided answers. The chief of staff said he could not recall pertinent information almost 200 times. We aren't getting answers, we aren't getting documents, and that is a fact.

Further, the House passed my bill, which would create a link on the SBA's website for people to report COVID fraud at the SBA. We literally needed an act of Congress to get that link created. And guess what? SBA still hasn't done it. Instead, you are prioritizing creating a link to register voters.

I think the SBA's priorities are pretty crystal clear. They want to register voters and forget about fraud.

Under the NVRA, which we have heard a number of times today, the States are allowed to request help from agencies, not the other way around.

The SBA has told us, and you, Ms. Kim, told us that the SBA reached out first. Do you stand by that statement?

Ms. KIM. I don't think that I said that the SBA reached out first.

Chairwoman VAN DUYNE. Well, in fact, the legal ground upon which you and the Democrats are attempting to stand is shaky at best. I mean, you said the SBA heard that Michigan was interested in engaging with the SBA to register votes, but who told the SBA that Michigan was interested, and how did you know?

This isn't normal. The NVRA has never been used like this in 30 years. In the SBA's own words, this is a first-of-its-kind agreement, as the SBA stated in their press release.

This hearing has shown the SBA is as ineffective in implementing this project as they are with anything else. If not, you are at least consistent, if not anything else.

So, Ms. Kim, you couldn't give me or Ms. Scholten a viable reason for the lack of implementation of this MOU, and it is obvious the SBA doesn't seem to have any kind of plan to implement it at all.

But on top of that, you and the Democrats are saying that this voter registration is so vitally important to small businesses' survival in Michigan that you have got to prioritize it. And yet, now you are saying that small businesses don't even have access to the URL that you spent time putting together. And how does that make any sense?

So it seems like we started looking into this, and as we started our investigation and asking questions and having your folks come to our Committee and answer those questions and try getting documents, basically, you basically stopped implementing the program, is least that it would seem, because we haven't been able to get any answers today on the timeframe, on when the URL is going up.

You have had this agreement signed since March. It is now nearly the end of July and nothing has happened. So, again, you are just as effective in this program as some others.

But I appreciate your time here today.

Mrs. MCCLAIN. Will the gentlelady yield to me?

Chairwoman VAN DUYNE. Oh, I am going to yield the rest of my time to Representative McClain.

Mrs. MCCLAIN. Question for you, Ms. Kim. Did you reach out to the State of Michigan, or did the State of Michigan reach out to you?

Ms. KIM. I joined the SBA in 2022, so the conversations with Michigan had started in 2021. So I don't have firsthand knowledge of those.

Mrs. MCCLAIN. Do you have secondhand knowledge?

Ms. KIM. Again, my understanding is that Michigan was interested in partnering and so the whole—

Mrs. MCCLAIN. Can you get that answer?

Ms. KIM. I am not honestly sure who would have it, but I can definitely look into it. Again, it happened before I got here.

And I should add—

Mrs. MCCLAIN. So I just want to make sure.

Ms. KIM. Yeah.

Mrs. MCCLAIN. So you don't know if the State of Michigan reached out to you to implement this program or you reached out to the State of Michigan?

And I say that because it is a very critical question that you don't have the answer to. If you don't have the answer, who would? Perhaps your boss?

Ms. KIM. Again, all the work with the State of Michigan started before I joined the agency.

Mrs. MCCLAIN. But you use that as a common excuse. It started before you joined the agency. Okay. And you joined the agency when again?

Ms. KIM. In March of 2022.

Mrs. MCCLAIN. In March of 2022. So any work that was done before March of 2022, you have no clue on?

Ms. KIM. I have some general understanding. And, again, when I started, that kind of work was already happening and I checked in on—

Mrs. MCCLAIN. So you are just, like, “Okay, wasn’t me”? Do you think you could get me that answer?

Chairwoman VAN DUYNE. The lady’s time has expired.

Mrs. MCCLAIN. Let her answer, please.

Do you think you can get that answer?

Ms. KIM. Any specific request I am sure we can follow up.

Mrs. MCCLAIN. So I will take that as a no.

Chairwoman VAN DUYNE. The lady’s time has expired.

Mrs. MCCLAIN. Thank you, Madam Chair.

Chairwoman VAN DUYNE. I would like to thank our witness for her testimony and for appearing before us today.

Without objection, Members have 5 legislative days to submit additional materials and written questions for the witness to the Chair, which will be forwarded to the witness. I ask the witness to please respond promptly.

If there is no further business, without objection, the Committee is adjourned.

Ms. KIM. Thank you.

[Whereupon, at 11:46 a.m., the Subcommittee was adjourned.]

[Ms. Kim did not submit her responses to questions in a timely manner.]

A P P E N D I X

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."¹

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