

Cody's short 29 years of life, with his last 3 years as a police officer and his several years as a member of the North Dakota National Guard—his testimony in his life and now in his death—reminds us to never take for granted our own safety and security.

Say thank you to a police officer in honor of Cody, who I know is OK. I know that he is OK today. I hope he is with his Grandpa Pete and his Grandma Sue somewhere. I hope that my Isaac, my son, bumps into him. We had a lake cabin right next door to the Holtes when those kids were growing up. So I stand with confidence that he is OK, but I continue to pray for those left behind, especially his family—especially his young son and beautiful wife and mom and dad and brother and sister—in that they, too, are confident that they will be OK but that, while we are in this valley, they are not alone.

I yield the floor.

The PRESIDING OFFICER. The Senator from Maryland.

#### CARES ACT

Mr. CARDIN. Madam President, as the ranking Democrat on the Small Business and Entrepreneurship Committee of the U.S. Senate, I take this time to update my colleagues on the implementation of the CARES Act.

I think all of us know that the CARES Act contained major, new provisions to help small businesses, and I was proud to be part of a bipartisan working group, with Senator RUBIO, Senator SHAHEEN, and Senator COLLINS, that helped to craft three new programs to help small businesses as a result of COVID-19.

We recognize the importance of small businesses to our economy, to job growth, to innovation, but we also recognize that small businesses are more vulnerable to an economic downturn. They don't have the resiliency. They don't have the deep pockets. They don't have the liquidity that larger companies have. If we are going to get our economy back on track, we have to preserve small businesses and their workforces.

We suggested and the Congress passed three new programs to help small businesses—the Paycheck Protection Program, the Economic Injury Disaster Loan Grant Program, and a loan forgiveness program for existing and new loans taken out under 7(a), 504, or microloans.

We recognize that all three of these tools were important. They were not exclusive. They worked together. PPP provides help to keep payrolls together. It buys 8 weeks of payroll. The EIDL Loan Program provides working capital for small businesses. The grant program provides immediate cash, and the forgiveness program allows a business to be able to get through these next 6 months without the burdens of having to pay their loans. All of that works together to keep small businesses viable in our community.

Let me first talk about the Paycheck Protection Program because that has

certainly gotten the most attention. It provided 8 weeks of payroll relief, plus other expenses, for small businesses in this country. It has been very, very popular. In fact, the original amount of money that we authorized for loans—about \$349 billion—was quickly used up, and we authorized an additional \$310 billion of loan authority. There have been 4.4 million loans issued under the PPP program for a total of \$510 billion. These loans were issued rather quickly considering the standing up of a new program and the volume of interest.

I acknowledge the hard work of the Small Business Administration and its workers, as well as of the Treasury, in standing up this program and getting the money out quickly to save many, many small businesses in our communities.

When we passed the PPP program, we would have hoped that 8 weeks later our economy would have been in a position in which small businesses, in large number, would not have needed additional help or that the program's parameters would have been adequate. That was not the case.

Yesterday, this Chamber acted in a responsible way with legislation that Senator RUBIO and I and others recommended, along with our House colleagues who had recommended this to our colleagues, that would give small businesses that have existing PPP loans the discretion to use those funds over a 24-week period rather than an 8-week period, recognizing that many of these businesses could not get up to full payroll during this 8-week period. We also gave greater flexibility on the allocation of the funds.

Even with these changes, there have been major challenges in bringing forward the PPP program. First and foremost, we found—as we had, unfortunately, thought might happen—that the underserved and underbanked communities would have a much more difficult time in getting access to 7(a) loans under the PPP program. Quite frankly, we put language in the CARES Act so that the SBA would give special attention to the underserved and underbanked communities.

Quite frankly, the SBA did not follow our direction. The SBA's IG said that the Small Business Administration did not fully align with the congressional intent to help the underserved and rural markets. So we responded. We replenished the PPP funds, and we allocated a certain amount of those funds directly to smaller lending institutions, recognizing that they have greater contact with the underserved communities, and it did help.

Now, at our request, the Treasury has allocated an additional \$10 billion to the CDFIs, the community development financial institutions, that have better ties to the underserved community. Each one of these steps helped. Allocating funds to smaller lenders and allocating funds to the CDFI will help us get to minority small businesses. It

will help us get to women-owned small businesses. It will help us get to veteran-owned small businesses. It will help us get to the smaller of the small businesses. It will also help us get to rural small businesses, but we need to do more.

That is why I have authored legislation with Senator BOOKER. We have put out a plan on what needs to be done through a discussion document, and it recognizes that we have to provide greater help for businesses in underserved communities for startup capital, for technical training, and for mentorship. All that will help so that, when we come out of COVID-19 and when we have the next economic downturn, we will have the financial institutions and knowledge in all of our communities to be able to take advantage of the tools that we make available in a timely way.

Yesterday, we had our first oversight hearing with regard to COVID-19 and the tools of the Small Business Administration. That hearing was outside of private sector witnesses. Next week, we will have the Secretary of the Treasury as well as the SBA Administrator before us. What we heard from one of our witnesses yesterday, Connie Evans, of the Association for Enterprise Opportunity, was about COVID-19. Its economic consequences are projected to erase decades of minority enterprise growth in underserved markets.

She continued:

To prevent this, we believe policymakers must acknowledge the existing disparities in our small business ecosystem and take the necessary steps to create equitable legislation to ensure that vulnerable businesses survive and thrive in the years ahead.

I couldn't agree more. That is why Senator BOOKER and I have issued our discussion document that includes many ways in which we can bring about systematic changes to really help in the underserved communities.

We saw, tragically, 2 weeks ago or close to 2 weeks ago, the tragic death in Minnesota. We have all talked about how we are going to help to make sure this country gives equal opportunity to all of our citizens, including under our criminal justice system. We also need to recognize that, if we are going to deal with the wealth gap in America, we have to deal with entrepreneurship, and this is one way we can do it—by building up these types of opportunities.

Now, there is some good news in my State of Maryland that I want to share with my colleagues. Maryland had a very active women's business center. As you know, our resource partners are critically important in helping underserved and underbanked communities. Women-owned businesses are clearly in that category. We have a very effective women's business center that is headquartered in Rockville that helps serve Montgomery and Prince George's Counties and Frederick. It is doing a great job on behalf of women-owned businesses.

Maryland, though, is a big State, and we needed more help. So I thank the Small Business Administration in its announcement of two additional small business centers in the State of Maryland. One will be in Baltimore. It will be housed at Morgan State University, a historic HBCU. That will provide, I think, tremendous help for women-owned businesses and minority women-owned businesses. We are also opening up a center in Salisbury, on the Eastern Shore of Maryland—rural Maryland—to help women's businesses. This is critically important in dealing with the gap in our communities. Resource partners are of critical need.

So, as we applaud the work we have done with the PPP program and as we recognize we need to improve it, let's also recognize we need to deal with making sure there is a fair opportunity for all businesses to qualify. We are also going to need additional help for small businesses in addition to the PPP initial grant. There needs to be a second round, and let me tell you why.

We thought 8 weeks would be enough with the PPP program, but we know that for some of the original small business loans that were taken out under the PPP program that, within the next 2 weeks, the 8-week period will expire, but we know that businesses are not yet open at full capacity. Restaurants cannot open at full capacity. Catering establishments cannot open at full capacity. Health clubs cannot open at full capacity. Entertainment centers cannot open at full capacity. We know that museums are still very much hurt, so we are going to need additional help.

Yesterday, we heard from a small business owner whose company was helped by the PPP loan. He told us there will be additional need for bridge funding for small businesses experiencing unanticipated costs during the phased-in reopening. I agree with him. I think we are going to have to do more to help the small businesses in our communities.

I have been working with Senator SHAHEEN and Senator COONS and others to say, on the second round, let's try to target the relief to those companies that really need it. The first round—get the money out quickly. We were very successful in doing that. There was a minimal amount of underwriting requirements by the small businesses or the banks. We got the money out quickly.

On the second round, we need to be more discerning. We need to focus those funds on those small businesses that really need it, those in the underserved communities—the smaller of the small businesses. We heard that yesterday during our oversight hearings. Those businesses have had a dramatic loss of revenue. If we do that, the resources are there; we can help those small businesses survive, and we can do it in a way that will keep our economy going.

We need to do that immediately. We shouldn't wait 2 more weeks after the

program for many small businesses has already ended. We need to provide the help as soon as possible. That is another reason it is important that we take up the next stimulus package during this work period and not wait until businesses have to lay off their workers and may not be able to reopen.

The PPP was only one of three tools. The second tool we provided was a new initiative under the EIDL Program, the Economic Injury Disaster Loan Program, for grants. It provides for immediate cash, which is what businesses need during a disaster—cash. The proposal allowed for a \$10,000 grant to be made. We anticipated that grant would be made within 3 days. We put that in the statute.

As complimentary as I have been about the SBA starting up the PPP program, I am extremely disappointed in the manner in which the EIDL Program has been handled. They did not get the money out quickly. They did not get \$10,000 out; instead, the average grant was between \$4,000 and \$5,000. And there is \$10 billion still left in the coffers that could have gotten out to small businesses that desperately needed the cash, and they didn't do it in the timeframe Congress anticipated.

The existing loan program, which existed before COVID-19, where SBA issues loans during a disaster, called the Economic Injury Disaster Loans, provides working capital. It works with PPP. PPP is not enough help for a small business to get the working capital and inventory they need. That is why we have the EIDL loans. The SBA has been very slow in getting the loans out. The numbers are extremely disappointing.

Now they have set up new rules. They closed the window for nonagricultural small businesses. Why? I have no idea. They seem to be limiting loans to \$150,000, although the loan provides for a \$2 million cap. Why are they doing that?

If the programs are going to work together, they have to implement this program. Congress specifically intended COVID-19 to be a disaster covered by EIDL. We did that in our earlier stimulus package. Well, we are disappointed that we haven't had greater success in the EIDL Program, because we know it works so much closer with the PPP program, and it is particularly useful for smaller small businesses and those that are more vulnerable.

We had a witness yesterday, Nick Rudolph of Maryland Capital Enterprises, who testified and said:

The EIDL loan is a particularly impactful product . . . because of its low interest, long terms, eased credit requirements and the fact that collateral is not required. In a perfect world, all approved applicants would receive the full grant portion regardless of number of employees.

What Mr. Rudolph is saying is they limited the grant to \$1,000 per worker, and, therefore, if you had 10 or fewer workers, the most vulnerable of small businesses, you were not able to take

advantage of the \$10,000. We hope that will be corrected.

There is a third tool. That is loan forgiveness for existing 7(a) and 504 loans and microloans and for loans taken out during the 6-month period after the adoption of the bill through the end of the year. This gives 6 months of debt relief for loans that can really help small businesses. I would like to report on how that is working, but I don't have a lot of numbers on that, which leads me to the need for data. If we are going to carry out our oversight function, if we are going to be able to enact legislation going forward, we need to know how the programs are working today, and we haven't gotten the information we need.

Earlier I authored a letter to Senators SCHUMER and WYDEN, asking the SBA to make that information available. Most recently, I joined Senator RUBIO in a similar request asking the Small Business Administration to make this information available. I introduced legislation with Senator SHAHEEN on this issue. We need to get that data if we are going to do our oversight.

This week we had the private sector witnesses; next week we have Administrator Carranza, Administrator of the SBA, and Secretary Mnuchin, Secretary of the Treasury, to ask specifically about these points. It will be a very, very important hearing.

In closing, let me say that we have to continue to work together as we have in the past to help America's small businesses. They are literally the growth engine of our economy. They are the innovators of our economy, and they are the most vulnerable.

The CARES Act provided incredibly important help, but we are going to have to pay additional attention to help our small businesses. So let's continue this bipartisan effort not only to help small businesses but to help our economy and to help our country. In doing that we will truly perform as we should during this national emergency.

So I look forward to continuing to work with my colleagues on both sides of the aisle to pay attention to what we have already done for small businesses and give them the additional attention that they need.

The PRESIDING OFFICER. The Senator from Oregon.

Mr. WYDEN. Madam President, before Senator CARDIN leaves the floor, I want to tell my colleague and friend on the Finance Committee that it has been a pleasure to team up with him to try to deal with these challenges in terms of getting the help out to small business people. We know that it has been needlessly challenging, looking back at the experience. I am just glad my colleague is going to prosecute the case until there is justice for these small businesses.

NOMINATION OF MICHAEL PACK

Madam President, the Senate hears a vote on the nomination of Michael