

Planned Parenthood ‘illegally’ took \$83 million in COVID stimulus: Senators



WASHINGTON – Fed up with Planned Parenthood affiliates continuing to receive coronavirus stimulus money “illegally,” several Senate Republicans — including Minority Leader Mitch McConnell — are demanding an investigation into why the Small Business Administration continues to write checks to the outfit.

In a letter to SBA Administrator Isabel Guzman, 25 GOP senators said that the affiliates have received \$83 million and apparently continue to get money through the Paycheck Protection Program when the rules state they are ineligible.

What’s more, it said that SBA is providing PPP money even after telling Planned Parenthood affiliates they were not eligible for the money and demanded it be returned. Only seven of 38 affiliates have complied.

“It is unconscionable that SBA continues to approve PPP loans made to organizations which are clearly ineligible for funding,” the letter said of the money going to the women’s health and abortion clinics. “This is unacceptable,” it added in calling for an investigation into why the money continues to be provided.

The letter, shared with Secrets, is shown below. Among others that signed it are Indiana Sen. Mike Braun, South Dakota Sen. John Thune and Wyoming Sen. John Barrasso.

Since the program began last year, GOP senators have been demanding that SBA follow the rules that prohibit big companies and organizations from receiving the small business payroll loans, which are really grants that are not expected to be paid back.

When the PPP program was established, the rules prohibited organizations with more than 500 employees, including affiliates, from receiving the money set aside for small shops. According to the senators, Planned Parenthood has 16,000 employees and assets of nearly \$2 billion.

The lawmakers said they are concerned that in the latest extension of the program, that Planned Parenthood affiliates are still being given the money. They wrote, “We are concerned that this extension will give remaining Planned Parenthood affiliates time to illegally obtain funds from the program as the SBA has yet to take action on this issue.”

[Read the full letter:](#)

United States Senate

WASHINGTON, DC 20510

March 25, 2021

The Honorable Isabel Guzman
Administrator
United States Small Business Administration
409 3rd Street SW
Washington, DC 20416

Dear Administrator Guzman,

We write to request an investigation concerning how affiliates of the Planned Parenthood Federation of America ("Planned Parenthood"), a national organization with central control over its affiliates which has nearly \$2 billion in assets, and over 16,000 employees nationwide, are continually able to obtain loans through the Paycheck Protection Program (PPP) when Small Business Administration (SBA) rules and guidance has made it clear that they are ineligible for such funds.

Since the original authorization of the PPP, 38 Planned Parenthood affiliates have received over \$83 million in taxpayer funds meant for small business relief. According to the longstanding SBA affiliation rules which state that entities are affiliated "when one controls or has the power to control the other, or a third party or parties controls or has the power to control both," Planned Parenthood, which operates in governance and practice as an affiliated group, is ineligible for these loans.

Following press reports in 2020 that Planned Parenthood affiliates had still applied for and received PPP funds contrary to the letter of the law, SBA sent letters to the 38 affiliates who had received funding, instructing those groups to return the funding. According to the most recently available data, seven affiliates did so, but the remaining 31 affiliates kept the received funding despite receiving notice that they had received such funds illegally. Of those 31, two affiliates actually applied and received a second draw from the program for a combined \$3.6 million when additional funding was appropriated.

It is unconscionable that SBA continues to approve PPP loans made to organizations which are clearly ineligible for funding. This is unacceptable, not only because SBA, like other agencies, must be a faithful and responsible steward of taxpayer dollars but also because continuing to make funds available for Planned Parenthood affiliates is in direct violation of the law.

We urge that the SBA promptly open an investigation into how these loans were made in clear violation of the applicable affiliation rules and if Planned Parenthood, relevant lenders, or staff at the SBA knowingly violated the law, and that appropriate legal action be taken if so.

On March 25, 2021, U.S. Congress took action to extend the PPP until June 30, 2021. We are concerned that this extension will give remaining Planned Parenthood affiliates time to illegally obtain funds from the program as the SBA has yet to take action on this issue.