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United States Senate

COMMITTEE ON SMALL BUSINESS & ENTREPRENEURSHIP

WASHINGTON, DC 20510-6350

TELEPHONE: (202) 224-5175 FAX: (202) 224-5619

October 16, 2020

Mr. Charles W. Scharf
Chief Executive Officer and President
Wells Fargo & Company
420 Montgomery Street
San Francisco, CA 94104

Dear Mr. Scharf:

As you know, small businesses across the nation are facing unprecedented challenges due to the economic disruption caused by the COVID-19 pandemic. In response, Congress established the Paycheck Protection Program (PPP) and expanded the Economic Injury Disaster Loan (EIDL) program to provide immediate financial relief to impacted small businesses as part of the *Coronavirus Aid, Relief, and Economic Security (CARES) Act* (P.L. 116-136). The PPP alone has provided over \$525 billion in critical relief to more than 5.2 million businesses, and saved an estimated 50 million jobs.

However, I am alarmed by recent reports alleging that employees of your financial institution may have been involved in potentially illegal conduct in applying for and/or receiving EIDL funding. Both the PPP and expanded EIDL programs were intended to provide critical economic assistance to small businesses during this time of enormous need. Financial institutions, like yours, are on the frontlines of providing PPP assistance. Allegations that employees of financial institutions have exploited either the PPP or EIDL programs for their own gain must be investigated fully.

For this reason, I request that you provide the Committee with additional information regarding Wells Fargo's investigation into allegations of improper collection of EIDL funding by your employees. Specifically, I request that you provide my Committee staff with the following information no later than October 23, 2020:

1. The specific employee actions your institution investigated, and the findings of such investigation;
2. All actions your institution has taken to mitigate potential fraud or misuse of EIDL and/or PPP funding;
3. All actions your institution has taken to notify SBA and/or federal law enforcement of potential fraud or misuse of EIDL and/or PPP funding; and

4. Any internal controls distributed to your employees regarding the EIDL program and/or PPP.

Thank you for your continued commitment to ensuring a strong economic recovery for our nation's small businesses. I appreciate your prompt attention to this important matter.

Sincerely,

A handwritten signature in black ink, appearing to read 'M. Rubio', written over a horizontal line.

Marco Rubio
Chairman