Hnited States Senate WASHINGTON, DC 20510

July 14, 2025

The Honorable Paul Dabbar Deputy Secretary U.S. Department of Commerce 1401 Constitution Ave, NW Washington, DC 20230

Deputy Secretary Dabbar:

Congratulations on your recent confirmation as Deputy Secretary of the Department of Commerce.

During your confirmation hearing before the Senate Committee on Commerce, Science, and Transportation on May 1, 2025, I asked you to investigate and report back to the Committee on the status of the Minority Business Development Agency (MBDA), which the Trump Administration has tried to illegally dismantle. ¹ You testified: "I will commit to follow every dollar and report back as you request..." ² You reiterated this commitment in response to questions for the record regarding the MBDA, stating: "If granted the privilege of confirmation, I will promptly look into this matter." ³

I appreciate your clear commitment to "promptly" investigate these matters of serious concern and report back to the Committee on your findings without delay. Accordingly, please provide the following information no later than July 28, 2025:

1. A detailed assessment of the status of all funding Congress appropriated to the MBDA. Please specify whether any such funds have been or ever were "repurposed" ⁴ to any program or activity outside MBDA. If so, please specify the programs or activities to which those funds were repurposed and the Department's legal authority for doing so.

¹See Memorandum and Order, Rhode Island v. Trump (D.RI. May 6, 2025).

² Hearing, "Nomination Hearing – Deputy Secretary of Commerce", *Senate Committee on Commerce, Science, and Transportation* (May 1, 2025); <u>https://www.commerce.senate.gov/2025/5/nomination-hearing-deputy-secretary-of-commerce</u>.

³ Paul Dabbar, Democratic Questions for the Record, *Senate Committee on Commerce, Science, and Transportation* (May 5, 2025); <u>https://www.commerce.senate.gov/services/files/67AE0957-C7CA-4241-9200-89403E155099</u>.

⁴See Letter from Senators Cantwell, Baldwin, Blunt Rochester, Schatz, Markey, Luján, Kim, and Heinrich to Acting Deputy Secretary of Commerce for MBDA Sonderling, Apr. 30, 2025;

https://www.commerce.senate.gov/2025/5/senators-demand-to-know-who-killed-minority-business-development-agency-why-where-s-the-money-going.

- 2. A detailed assessment of the status of all MBDA grants, including:
 - a. All MBDA grants that have been terminated since January 20, 2025;
 - b. All MBDA grants that have not been renewed since January 20, 2025;
 - c. All funded activities that the Department determined are "consistent with the agency's priorities" and that "serve the interests of the MBDA program." ⁵
- 3. Based on your review and assessment, please certify whether the Department is in compliance with its statutory obligations under the MBDA Act of 2021,⁶ which was enacted as part of the Infrastructure Investment and Jobs Act.⁷ If you do not provide this certification, please explain why.
- 4. Did Mr. Nate Cavanaugh have the legal authority to issue termination notices to MBDA grantees? If yes, please provide a complete description of the authority under which Mr. Cavanaugh was operating, including whether acting Undersecretary Keith Sonderling expressly delegated authority to Mr. Cavanaugh to issue termination notices to MBDA grantees and whether such delegation was lawful.
- 5. What steps, if any, has the Department taken to respond to the following letters from Committee Democrats requesting documents and information regarding the MBDA. Please detail the specific steps taken to respond to each letter and specify the date on which the Department anticipates providing a full and complete response to each letter:
 - ^{a.} May 28, 2025, letter to Acting Deputy Secretary of Commerce for MBDA Keith Sonderling.⁸
 - ^{b.} April 30, 2025, letter to Acting Deputy Secretary of Commerce for MBDA Keith Sonderling.⁹
 - ^{c.} April 17, 2025, letter to Secretary Howard Lutnick.^[6]

https://www.commerce.senate.gov/2025/5/following-federal-court-order-democrats-hold-trump-administrationaccountable-for-unlawfully-dismantling-mbda.

⁵ See id.

⁶ Minority Business Development Act of 2021, S. 2068, 117th Cong.,

https://www.congress.gov/bill/117thcongress/senate-bill/2068?s=2&r=1.

⁷ Infrastructure Investment and Jobs Act, Pub. L. No. 117-58, 117th Cong., Nov. 15, 2021,

https://www.congress.gov/117/plaws/publ58/PLAW-117publ58.pdf.

⁸ Letter from Senators Cantwell, Baldwin, Blunt Rochester, Markey, Luján, and Heinrich to Acting Deputy Secretary of Commerce for MBDA Sonderling, May 28, 2025; https://www.commerce.senate.gov/2025/5/following-federal-court-order-democrats-hold-trump-administration-

⁹ Letter from Senators Cantwell, Baldwin, Blunt Rochester, Schatz, Markey, Luján, Kim, and Heinrich to Acting Deputy Secretary of Commerce for MBDA Sonderling, Apr. 30, 2025;

https://www.commerce.senate.gov/2025/5/senators-demand-to-know-who-killed-minority-business-development-agency-why-where-s-the-money-going.

Sincerely,

Sen Ray L Ł an

Ben Ray Lujan United States Senator