

June 9, 2020

The Honorable Mitch McConnell
Majority Leader
United States Senate
317 Russell Senate Office Building
Washington, D.C. 20510

The Honorable Charles E. Schumer
Minority Leader
United States Senate
322 Hart Senate Office Building
Washington, D.C. 20150

The Honorable Marco Rubio
Chairman
Senate Committee on Small Business
and Entrepreneurship
284 Russell Senate Office Building
Washington, D.C. 20510

The Honorable Benjamin Cardin
Ranking Member
Senate Committee on Small Business
and Entrepreneurship
509 Hart Senate Office Building
Washington, D.C. 20510

Dear Majority Leader McConnell, Minority Leader Schumer, Chairman Rubio, and Ranking Member Cardin:

We write in support of expanding the eligibility of the Paycheck Protection Program (PPP) established by the CARES Act to include additional local nonprofit organizations. While the program has provided substantial relief to small businesses and nonprofit organizations, nonprofits organized under 501(c)(6) of the Internal Revenue Code, such as local trade associations, chambers of commerce, and destination marketing organizations, are not eligible for assistance. We urge you to amend the CARES Act to allow local 501(c)(6) organizations to participate in the PPP program.

Local professional associations, chambers of commerce, and visitors bureaus have been working hard to provide Rhode Island's businesses with assistance throughout the COVID-19 pandemic. Many have already had to lay off staff in order to keep their operations going, and as the pandemic's economic effects are likely to continue for months, local 501(c)(6) organizations will continue to struggle with declining revenues. As some communities begin the process of reopening, it is important that small businesses have access to as much assistance as possible. Should these organizations continue to face revenue shortfalls and staffing reductions, many small businesses in Rhode Island will lose helpful resources in a time of high need and uncertainty.

According to the Small Business Administration's most recent data, the PPP program still has over \$100 billion available for additional loans. Opening up the PPP program to local 501(c)(6) organizations would not only preserve jobs for their employees, but help the many small businesses that depend on guidance from local chambers of commerce, industry groups, and other local 501(c)(6) organizations. To best target the remaining PPP dollars, we request that

only 501(c)(6) organizations with fewer than 50 employees be made eligible for the PPP program.

Once again, we urge you to advance legislation either by unanimous consent or as part of a broader relief package to allow local 501(c)(6) nonprofit organizations to be eligible to participate in the PPP program. We appreciate your attention to this request.

Sincerely,

/s/ Sheldon Whitehouse

Sheldon Whitehouse
United States Senator

/s/ Jack Reed

Jack Reed
United States Senator