



April 8, 2020

The Honorable Nancy Pelosi
Speaker of the House of Representatives
U.S. House of Representatives
United States Capitol
Washington, DC 20515

The Honorable Mitch McConnell
Majority Leader
U.S. Senate
United States Capitol
Washington, DC 20515

Dear Madam Speaker and Majority Leader McConnell:

On behalf of the organizations representing this nation's 30 million small businesses, we write to you today with an urgent request for clarity around the next phase of your conversation to help small businesses, including the Paycheck Protection Program. We appreciate your attention to the small business and self-employed sector and we ask for consideration of the following.

Request for Meeting with Small Business Roundtable CEOs

The Small Business Roundtable (SBR) is a coalition of leading small business and entrepreneurship organizations dedicated to advancing policy, securing access, and promoting inclusion to benefit America's small business owners. We are writing to request a meeting with you to discuss ways we can work together to achieve our shared goal of providing necessary support to U.S. small businesses as they cope with the COVID-19 crisis.

Strategic Use of New Funds

Given the interest in providing additional funds for the Payroll Protection Program, we believe it concurrently prudent for Congress to provide additional guidance and direction as to how those funds will be used and further ensure that those small businesses who are most vulnerable (business owners of color, women business owners, small employers (50 or less), and self-employed) are provided more protections and pathways to access the program. We are disappointed to hear from many of our members that they have been essentially shut out of the program due to various challenges both from the implementation and banking side.

Small business owners believed that the intent and language of the legislation would align with the rules, therefore many were disappointed to see changes to the non-payroll portion of forgivable expenses and the limitation placed on EIDL loan advances. Moreover, being that the

economic effects of COVID-19 will now extend later than what many thought would be the case, the timelines and deadlines associated with the legislation are no longer appropriate. We believe there should be flexibility given to the SBA and Treasury to extend, for example, the June 30 deadline associated with PPP loans.

Better Communication & Expanded Set of Lenders

Given the magnitude of the crisis, we understand how fast everyone is moving to respond. At the same time, guidance for lending institutions has been lacking which has led to confusion, under-preparedness and challenges for implementation. Additionally, it would be helpful to have additional clarity on eligibility for minority-owned, community banks and credit unions. How do lending institutions that were not previously SBA certified, receive the delegated authority from the SBA? Finally, guidance put out by the Administration provided limited details on the inclusion of non-SBA and non-bank lenders. We support the swift inclusion of these entities to maximize the opportunities for small business borrowers. We should also address the capital needs and lending abilities of minority depository institutions and credit unions. These lending institutions primarily operate and serve low and minority income communities who have some of the most vulnerable businesses or most established minority businesses. Legislative action is needed so that these lending institutions can serve their customer and get them necessary operational capital.

The Prioritization of Disadvantaged Communities

The legislation requires the prioritization of certain communities. Many of these communities are underbanked and face pre-existing capital challenges. We urge you to continue to work with the Administration to prioritize these communities.

Additional Help Guidance Needed for the Self-Employed and 1099 Independent Contractors

Make sure that sole-proprietors and 1099 independent contractors can access funding to continue working, allowing their clients to maintain them on payroll, and ease the restrictions of the Paycheck Protection Program (PPP) so that employers can use 1099 employees as part of their payroll to access the PPP. Extend the PPP with more stimulus funding to allow for more businesses to apply. We also encourage you to enact legislation that requires specific disaster business loans and over relief funds for the self-employed and independent contractors. Furthermore, this segment could be immediately boosted if the IRS waves the income taxes for the first \$10,000 of self-employed or contracted dollars these Americans gain.

Amendment to the Small Business Act to Ensure the Inclusion of Certain 501(c)(6) Organizations in Coronavirus Relief Packages

In the Coronavirus Aid, Relief, and Economic Security (CARES) Act, 501(c)(6) organizations were not included in the Paycheck Protection Program. However, a contingent of this group assists small businesses in navigating normal day-to-day operations and is especially critical in

providing guidance during times of crisis. By including specific 501(c)(6) organizations while also prohibiting others, the spirit of the CARES Act remains intact.

Resources and Services in Languages other than English

Expand Section 1111 of the existing CARES Acts to provide minority communities with the necessary resources in their individual native languages. This section should not discriminate communities of diverse racial ethnicities and should be inclusive of all sub-minority groups in America. All resources should be adequately translated and distributed in all available channels to include the world wide web, printed materials, and in-person translation for any presentation conducted by a government entity when providing business assistance to affected businesses. This measure should also include service for the blind, legally blind, visually impaired, and deaf communities.

We urge you to reach out directly with any questions, given the timely nature of these policies. We are available at your convenience and can be speedily convened by contacting our team at team@smallbusinessroundtable.org.

Sincerely,

Chiling Tong, President & CEO, Asian and Pacific Islander Chamber of Commerce and Entrepreneurship

Jill Houghton, President & CEO, Disability: IN

Keith Hall, President & CEO, National Association for the Self Employed

Jen Earle, CEO, National Association of Women Business Owners

Todd McCracken, President & CEO, National Small Business Association

Karen Kerrigan, Chair, Small Business Roundtable, CEO, Small Business & Entrepreneurship Council

Ron Busby, President & CEO, U.S. Black Chambers, Inc.

Ramiro Cavazos, President & CEO, U.S. Hispanic Chamber of Commerce

John Stanford, Co-Executive Director, Small Business Roundtable

Rhett Buttle, Co-Executive Director, Small Business Roundtable

cc:

The Honorable Marco Rubio, Chairman, Senate Committee on Small Business and Entrepreneurship

The Honorable Ben Cardin, Ranking Member, Senate Committee on Small Business and Entrepreneurship

The Honorable Nydia Velazquez, Chair, House Committee on Small Business

The Honorable Steve Chabot, Ranking Member, House Committee on Small Business