



December 7, 2020

The Honorable Nancy Pelosi
 Speaker
 U.S. House of Representatives
 H-232, The Capitol
 Washington, D.C. 20515

The Honorable Mitch McConnell
 Majority Leader
 United States Senate
 S-230, The Capitol
 Washington, D.C. 20510

The Honorable Kevin McCarthy
 Minority Leader
 U.S. House of Representatives
 H-204, The Capitol
 Washington, D.C. 20515

The Honorable Charles E. Schumer
 Democratic Leader
 United States Senate
 S-221, The Capitol
 Washington, D.C. 20510

Dear Speaker Pelosi and Leaders McConnell, Schumer, and McCarthy:

We write to urge Congress to take immediate action to provide emergency relief to American small businesses. As economic and public health conditions continue to worsen, business owners are reporting declining revenues and an increasing need for support in order to survive the coming months. Small businesses urgently need Congress to enact stop-gap relief as a bridge to a longer-term program that can help them transition from crisis to recovery.

According to the latest Census Bureau data from late November, 46.4 percent of all small businesses believe it will be at least six months before their businesses return to normal levels of operation. Nearly eight percent of businesses believe they will never fully recover. Furthermore, in the last three weeks of November, over a third of businesses reported falling revenues for the first time since mid-August, while the share of firms reporting increasing revenues sunk to its lowest point since the Bureau began collecting this data at the end of April. As COVID-19 cases surge and economic conditions weaken, it is imperative that Congress take action immediately.

The Paycheck Protection Program (PPP) provided critical assistance to small businesses early in the pandemic and helped mitigate the ensuing economic disruption. Unfortunately, the program was allowed to expire months ago, leaving needy borrowers unable to access additional relief. As businesses prepare for what is likely to be a devastating winter, and in the absence of a longer-term relief program, Congress should fund PPP at a level sufficient to provide vital resources to

every qualifying small business across the country, along with requirements to ensure that eligibility for a second PPP loan is targeted to businesses suffering from lost revenues and operational disruption. Despite its limitations, a second PPP draw would ensure vulnerable businesses have the assistance they need in order to survive in the near term.

While renewing PPP should be the immediate priority, it is important to underscore that the program was originally intended to be a short-term solution, not an ongoing source of relief throughout an extended crisis. Looking beyond the lame duck session, small businesses will also need additional loans or other direct assistance to help them transition from crisis to recovery in the year ahead. We believe that such a recovery program must be designed with four core features: 1) zero interest rates, 2) long-term loan maturity, 3) overall administrative simplicity, and 4) the flexibility to use the loans to cover a wide range of expenses and to improve the underlying resiliency of the business. Our organizations call on Congress to make enacting a program with those elements a top priority when it returns next year.

Small businesses are in the middle of a prolonged and unprecedented crisis – one that will not truly begin to subside until the public health crisis is resolved through a widely-available vaccine. Congress must act quickly to enact relief to prevent further devastation to the small business sector.

Thank you for considering this request.

Sincerely,

American Hotel & Lodging Association
Angel Capital Association
Asian American Hotel Owners Association
Center for American Entrepreneurship
Economic Innovation Group
Engine
Experiential Designers + Producers Association
Exhibitor Appointed Contractor Association
Go LIVE Together
Gusto
International Association of Exhibitions and Events
International Franchise Association
Main Street America
National Association for the Education of Young Children
National Tooling and Machining Association
NFIB
North American Die Casting Association
Precision Machined Products Association
Precision Metalforming Association
Society of Independent Show Organizers
Small Business & Entrepreneurship Council
Small Business for America's Future

Small Business Majority
The Payroll Group
U.S. Chamber of Commerce
U.S. Travel Association

cc: Senator Marco Rubio (R-FL)
Senator Ben Cardin (D-MD)
Representative Nydia Velazquez (D-NY-07)
Representative Steve Chabot (R-OH-01)