



The Honorable Steven Mnuchin
Secretary of the Treasury
U.S. Department of the Treasury
1500 Pennsylvania Avenue, N.W.
Washington, D.C. 20220

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

The Honorable Charles Schumer
Minority Leader
United States Senate
322 Hart Senate Office Building
Washington, D.C. 20510

The Honorable Nancy Pelosi
Speaker
U.S. House of Representatives
1236 Longworth House Office Building
Washington, D.C. 20515

The Honorable Kevin McCarthy
Minority Leader
United States House of Representatives
2468 Rayburn House Office Building
Washington, D.C. 20515

RE: Urgent Request to Include All Internal Revenue Code Section 501(c) Organizations in Emergency Stimulus Funding

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

On behalf of the National Small Business Association (NSBA), the nation's first small-business advocacy organization, with more than 65,000 small-business members representing every state and every industry across the country, we strongly support the Coronavirus Aid, Relief, and Economic Security Act (CARES Act) to include funds for small businesses through expanded Small Business Administration (SBA) loans.

However, we are deeply concerned, that the definitions put forth in this critical legislation do not expressly include nonprofit Section 501(c) organizations, other than 501(c)3 organizations. **The bill should include Section 501(c)(6) organizations such as trade, professional and membership associations.** This exclusion could spell the end for many small Chambers and countless other trade associations—including the NSBA—working directly for small business. There is no common-sense reason why the very organizations fighting tooth-and-nail for small-business relief should be excluded.

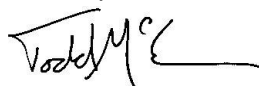
Despite claims that nonprofits will be eligible for relief under the package, language was changed in the last few days which would limit stimulus-related relief funds to ONLY to non-profits that are organized as a 501(c)3, which most associations are not. I suspect this is one of those well-intentioned changes to ensure that only those who truly need the money get the money, but the unintended consequences will mean certain closure for countless trade groups and local Chambers that humbly serve small businesses and their missions.

On behalf of our 65,000 members nationwide, I strongly urge you to ensure all Section 501(c) organizations are included in the crucial stimulus funding to combat COVID-19, and ask that you please reconsider the current limitation that includes only Section 501(c)(3) within the definition of “nonprofit organization” for SBA loan eligibility, and amend the language to include 501(c)(6). Without this financial support, trade associations and small chambers will be forced to close our doors.

Associations and other Section 501(c) organizations play an important role to aid America’s workforce, provide networking and educational resources and disseminate essential information to people in need – particularly during times of crisis. These organizations are needed to help coordinate federal resources, and they require staff to fulfill this duty. Without financial support, however, and due to unprecedented financial loss from membership and event cancellations, associations will be unable to meet this critical obligation.

Thank you for your consideration and continued support for America’s small businesses during this challenging time. If you have questions regarding this urgent request for critically needed support for the association and all Section 501(c) sectors, please contact me at: tmccracken@nsba.biz or 202-293-8830.

Sincerely,



Todd McCracken
President & CEO

CC:

The Honorable Senator Marco Rubio, Chairman
Committee on Small Business & Entrepreneurship
United States Senate
428A Russell Senate Office Building
Washington D.C., 20510

The Honorable Ben Cardin, Ranking Member
Committee on Small Business & Entrepreneurship
United States Senate
428A Russell Senate Office Building
Washington D.C., 20510

The Honorable Senator Susan Collins, Chairman
Special Committee on Aging
United State Senate
413 Dirksen Senate Office Building
Washington, D.C. 20510

The Honorable Senator Roger Wicker, Chairman
Committee on Commerce, Science and
Transportation
United States Senate
555 Dirksen Senate Office Building
Washington, D.C. 20510

The Honorable Nydia Velázquez, Chairwoman
Committee on Small Business
United States House of Representatives
2361 Rayburn House Office Building
Washington, DC 20515

The Honorable Steve Chabot, Ranking Member
Committee on Small Business
United States House of Representatives
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