



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

The Honorable Kevin McCarthy  
Republican Leader  
U.S. House of Representatives  
2468 Rayburn House Office Building  
Washington, D.C. 20515

Dear Speaker Pelosi and Leader 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, I write to express our support for H.R. 7010, the Paycheck Protection Program Flexibility Act. This bipartisan legislation will provide thousands of small businesses with meaningful relief as they struggle to survive the long-term effects of the COVID-19 pandemic.

The Paycheck Protection Program (PPP), enacted by the CARES Act, has provided potentially forgivable loans to small businesses hurt by Covid-19. However, despite ample funding of \$659 billion, the PPP was passed with some serious flaws and more needs to be done to help employers stay afloat during these economically turbulent times. Many small businesses have undergone fundamental changes in their businesses—changes which could be long-term—while many others are worried they simply will not make it through this pandemic. According to a recent NSBA survey, nearly all small businesses, 92 percent, say they are very concerned about the economic impact of COVID-19 and nearly half of small businesses are not confident in the future of their business.

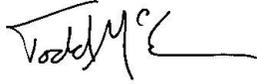
Changes to the PPP program could make a significant difference and NSBA is pleased the House will soon consider H.R. 7010, as the measure provides immediate flexibility to weather the storm and prepare for uncertain economic times ahead. Thus, NSBA supports the common-sense solutions to the PPP included in H.R. 7010, which changes the program sunset date from June 30, 2020 to Dec. 31, 2020. Further, NSBA commends the measure for extending the PPP loan forgiveness for expenses beyond the eight weeks—to 24 weeks—allotted under current policy in hopes that businesses will be able to keep more of their workers on the payroll. It would also allow businesses to utilize more than 25 percent of the loan for purposes that extend beyond payroll and allow the term of the loan to extend beyond two years to five years. NSBA is also pleased H.R. 7010 extends the rehiring deadline to align with the expiration of enhanced Unemployment Insurance and also provide a "Borrower's Choice" provision, which allows those who received PPP loans prior to enactment to choose for the covered period of their loan to either last 8 weeks or 24 weeks from origination.

This legislation would provide enhancements to the PPP that serves as the lifeblood to thousands of small businesses, and we hope it is swiftly considered and passed by both chambers. It is not just the survival of the business that is impacted but the livelihoods of their employees, their families and the

communities they serve all now face serious problems related to the COVID-19 pandemic unless Congress acts.

NSBA commends Reps. Phillips and Roy for their responsiveness to the small business community's needs. Thank you for your consideration and continued support for America's small businesses during this challenging time.

Sincerely,

A handwritten signature in black ink, appearing to read "Todd McCracken". The signature is stylized with a large, looped "M" and a long horizontal stroke at the end.

Todd McCracken  
President & CEO