



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

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

The Honorable Charles Schumer
Minority Leader
United States Senate
S-221, 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

Dear Leader McConnell, Speaker Pelosi and Leaders 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 are pleased to see the inclusion of Title IV in the *Delivering Immediate Relief to America's Families, Schools and Small Businesses Act* which would, among other things, create another round of the Paycheck Protection Program (PPP) and simplify the forgiveness rules for those funds.

As you well know, small businesses have been ravaged over the past several months and maintaining cash-flow and liquidity is essential to a vibrant small-business community and the only way we are going to be able to ride out the economic effects triggered by this global pandemic. Thus, NSBA fully supports the creation of a second draw on PPP loans as it is critical to help and save America's drowning small-business community.

As included in Title IV, NSBA has been calling for less stringent standards for the second PPP round and are pleased with the requirements for companies to qualify for another round of funding: those with fewer than 300 employees that saw revenue drop by at least 35 percent in a 2020 quarter relative to the same 2019 quarter. As mentioned in previous letters to lawmakers, NSBA recommended businesses that demonstrate a 20-30 percent reductions in gross revenues be able to participate in this second wave of funding. Therefore, by allowing businesses with a 35 percent reduction in revenue, it will make it much more effective across the diverse sectors and the various sizes who continue to need the help.

Further, we commend you for simplifying the loan forgiveness application by allowing current and future PPP borrowers with loans under \$150,000 to give a good faith attestation that they

complied with the rules. PPP loans of \$150,000 and under account for 85 percent of total PPP recipients, but less than 26 percent of PPP loan dollars. NSBA believes that by streamlining the loan forgiveness application, it will enable our nation's small-business owners to focus their time, energy, and resources back into their business and communities instead of allocating significant time and resources into completing complex forgiveness forms.

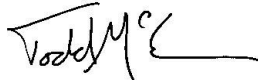
NSBA has urged lawmakers to provide greater flexibility for the smallest companies and applauds your proposal that reduces the amount a borrower can receive from \$10 million to \$2 million and gives businesses expanded eligible uses on how they spend the money. The smallest companies often need more flexibility to spend on all normal business expenses (rent, software, equipment, suppliers, and vendors) not just the ones currently defined.

Finally, NSBA appreciates your measure provides protections for employers against liability in any coronavirus-related lawsuits brought by workers. Employers would not be held liable unless workers' claims met a stringent test. We support the concept that they must provide "clear and convincing evidence" that 1) the employer was not "making reasonable efforts" to comply with the latest pandemic-related safety guidance and standards; 2) that the employer was grossly negligent or willfully did something that caused "actual" exposure to the coronavirus; and 3) that the "actual" exposure caused personal injury to the workers.

The PPP has served as lifeblood to millions of small businesses during this historically challenging economic period. These businesses have navigated an unprecedented landscape to continue to serve their customers, employees, and communities in a clean, safe, and compliant manner. However, the future for these same small businesses is extremely unclear. We remain hopeful that Congress will reach a consensus to provide additional relief options to those small businesses that need it the most.

Thank you for your hard work to advance initiatives – as demonstrated by Title IV – in support of America's small businesses and their hard-working employees during the COVID-19 crises.

Sincerely,

A handwritten signature in black ink, appearing to read "Todd McCracken". The signature is stylized with a large, sweeping "M" and "C".

Todd McCracken
President & CEO